

**S. 2257, THE NATIONAL PARK SERVICE
CENTENNIAL ACT**

HEARING
BEFORE THE
COMMITTEE ON
ENERGY AND NATURAL RESOURCES
UNITED STATES SENATE
ONE HUNDRED FOURTEENTH CONGRESS
FIRST SESSION

DECEMBER 8, 2015



Printed for the use of the
Committee on Energy and Natural Resources

Available via the World Wide Web: <http://fdsys.gov>

U.S. GOVERNMENT PUBLISHING OFFICE

98-965

WASHINGTON : 2017

For sale by the Superintendent of Documents, U.S. Government Publishing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON ENERGY AND NATURAL RESOURCES

LISA MURKOWSKI, Alaska, *Chairman*

JOHN BARRASSO, Wyoming	MARIA CANTWELL, Washington
JAMES E. RISCH, Idaho	RON WYDEN, Oregon
MIKE LEE, Utah	BERNARD SANDERS, Vermont
JEFF FLAKE, Arizona	DEBBIE STABENOW, Michigan
STEVE DAINES, Montana	AL FRANKEN, Minnesota
BILL CASSIDY, Louisiana	JOE MANCHIN III, West Virginia
CORY GARDNER, Colorado	MARTIN HEINRICH, New Mexico
ROB PORTMAN, Ohio	MAZIE K. HIRONO, Hawaii
JOHN HOEVEN, North Dakota	ANGUS S. KING, JR., Maine
LAMAR ALEXANDER, Tennessee	ELIZABETH WARREN, Massachusetts
SHELLEY MOORE CAPITO, West Virginia	

KAREN K. BILLUPS, *Staff Director*

PATRICK J. MCCORMICK III, *Chief Counsel*

LUCY MURFITT, *Senior Counsel and Natural Resources Policy Director*

ANGELA BECKER-DIPPMANN, *Democratic Staff Director*

SAM E. FOWLER, *Democratic Chief Counsel*

DAVID BROOKS, *Democratic General Counsel*

CONTENTS

OPENING STATEMENTS

	Page
Murkowski, Hon. Lisa, Chairman and a U.S. Senator from Alaska	1
Cantwell, Hon. Maria, Ranking Member and a U.S. Senator from Wash- ington	3

WITNESSES

Jarvis, Hon. Jonathan, Director, National Park Service, U.S. Department of the Interior	5
Shafroth, Will, President & CEO, National Park Foundation	10
Crandall, Derrick, Counselor, National Park Hospitality Association	16
Pierno, Theresa, President & CEO, National Parks Conservation Association .	35

ALPHABETICAL LISTING AND APPENDIX MATERIAL SUBMITTED

Cantwell, Hon. Maria:	
Opening Statement	3
Chart: Recreation Fees (\$ Millions)	48
(The) Corps Network:	
Letter for the Record	127
Crandall, Derrick:	
Opening Statement	16
Written Testimony	19
Responses to Questions for the Record	123
Daines, Hon. Steve:	
Statement for the Record	128
Jarvis, Hon. Jonathan:	
Opening Statement	5
Written Testimony	7
Responses to Questions for the Record	100
Murkowski, Hon. Lisa:	
Opening Statement	1
Pierno, Theresa:	
Opening Statement	35
Written Testimony	37
Responses to Questions for the Record	125
S. 2257, the National Park Service Centennial Act	73
Shafroth, Will:	
Opening Statement	10
Written Testimony	12
Responses to Questions for the Record	120

S. 2257, THE NATIONAL PARK SERVICE CENTENNIAL ACT

Tuesday, December 8, 2015

U.S. SENATE,
COMMITTEE ON ENERGY AND NATURAL RESOURCES,
Washington, DC.

The Committee met, pursuant to notice, at 10:06 a.m. in Room SD-366, Dirksen Senate Office Building, Hon. Lisa Murkowski, Chairman of the Committee, presiding.

OPENING STATEMENT OF HON. LISA MURKOWSKI, U.S. SENATOR FROM ALASKA

The CHAIRMAN. Good morning. We will call the hearing to order. I would like to thank you all for being here with us this morning.

We are considering legislation related to the upcoming National Park Service (NPS) Centennial. The bill that we have before us today is the Administration's proposal titled the "National Park Service Centennial Act." Senator Cantwell has introduced this as S. 2257.

I think just about everybody in the room knows, and certainly the word is out, that 2016 will mark the 100th anniversary of the National Park Service. This is certainly a time to celebrate the Park Service's stewardship of America's most magnificent natural landscapes including many of our most important cultural and historical places and the public's enjoyment of them.

I know that I am going to be getting out to visit the parks in my state. This year was a great opportunity to get out to Denali and go into the park in the fall, which is exceptionally beautiful, particularly when you wake up and it is covered with snow. It is one of those opportunities that you just do not forget.

Last year we had an opportunity in Wrangell-St. Elias to enjoy yet another amazing park. I want all of us to get out and visit our National Parks next year. That is only part of what this Centennial calls for. More importantly it offers us a chance to ensure that the National Park System operates sustainably for the next 100 years, and I think it is going to take a serious effort to achieve that goal.

The National Park Service was created in 1916 to manage the growing number of park units established by Congress and monuments proclaimed by the President. Back then we had 35 units. Today the system has grown to 409 units. The Park Service administers over 80 million acres of Federal land in the United States, about two thirds, or 54 million acres, is located in my State of Alaska.

As the Park System has grown, so has the backlog of its maintenance projects. The National Park Service estimates its maintenance backlog at approximately \$11.5 billion right now. It is anticipated that the backlog will continue to grow as the result of additional land acquisitions combined with the unavoidable effects of increased visitor use, inflation and asset deterioration.

The maintenance backlog is a travesty I think we recognize must be addressed. To me there is little point in conserving land or allowing the Federal Government to acquire even more land if we are not going to take the proper care of those lands. Caring for these lands is as important as anything.

I want to be very clear. I do not think that this is an instance where we can simply throw money at a problem and consider it solved. I disagree that simply providing more funding, as the Administration proposes, is the best approach for dealing with the maintenance backlog.

Our nation is facing a serious fiscal crisis. We cannot simply spend however much we want on whatever we want, wherever we perceive a need. Instead we need to look at new and alternative ways to fund the park system, strive to be more efficient with appropriated dollars and reassess our current funding priorities.

One area that we have discussed before and that I am encouraged to see pick up, at least in concept in this legislative proposal, are ideas to encourage philanthropic support and leverage private donations for NPS programs and projects. I think that we need to do a better job of encouraging folks who care about the park system to contribute both their resources and their dollars.

I am particularly interested in the endowment idea that we see included here, as an endowment can be a great tool to ensure long-term viability if it is structured properly.

Of course, the next 100 years are not just about maintenance backlogs and resource projects. As I mentioned earlier, the Park Service has a huge presence in Alaska. It is probably not surprising that there are tensions that arise when we try to reconcile the local needs and culture with that of a landlord that is situated almost 4,000 miles away.

While the issues we face in Alaska may be different from those faced by the neighbors of lower East Side Tenement Museum in Manhattan, the next century will also be about visitors and connecting the next generation to our parks. We need to enhance and expand visitor services to meet the demands of this next generation, and that may require some new tools.

I am interested in learning more about the pilot program that this legislation seeks to establish to allow the Visitors Service Management Authority to award and manage contracts for the operation of commercial visitor services programs and activities.

With the National Park Service Centennial upon us, it is time that we get serious about the future of the park system. The Administration's proposal is a start. I know our colleague, Senator Portman, has also been working very, very hard on these issues, not just on this Committee, but for years prior to this.

We already have proven that we can work well within the Committee, and I think that all of us drafting bipartisan legislation to

put the Park Service on a path to long-term viability would be a perfect gift for its 100th birthday.

I would like to thank Director Jarvis and the other witnesses who have come to be with us before the Committee today. I look forward to hearing your testimony.

Now I will turn to Senator Cantwell.

STATEMENT OF HON. MARIA CANTWELL, U.S. SENATOR FROM WASHINGTON

Senator CANTWELL. Thank you, Madam Chair. Thank you for scheduling this hearing and to the witnesses for being here.

I, as you mentioned, introduced legislation on behalf of the Administration, specifically Secretary of the Interior, Sally Jewell, and National Park Service Director, Jon Jarvis. And so, welcome. Good to have you here this morning.

Next August will mark the 100th anniversary of when President Wilson signed the 1916 law creating the National Park Service. My state's experience with National Parks actually goes back even further with Mount Rainier having been established in 1899, and Mount Olympus National Monument—which later became Olympic National Park—established in 1909.

Not only are we home to some of the older National Parks, but the State of Washington, along with Tennessee and New Mexico, is also home to the newest addition to the National Park System, the Manhattan Project National Historical Park, which was formally dedicated just last month.

So the upcoming Centennial provides us with a good opportunity to assess the state of our National Park System, so that we can determine what we need to do to improve the National Park Service and provide the proper level of services that will allow the American public to enjoy their National Parks.

The Administration has recommended several new authorizations and funding proposals in its Centennial bill, and it seems to me that in order to evaluate these proposals we need to better understand what the Park Service's objectives are for the future. For example, are we trying to increase overall visitation or improve utilization of less-visited parks? What are the aspects of the current Park budget that are working, and where do we need to improve on funding levels for their long-term viability? What are our plans for recognizing new additions to the Park System?

These are some of the issues that I'd like to explore today with Secretary Jarvis and the other members of the panel. I would like to get a better understanding of how the Park Service plans to take advantage of new technologies to modernize its communication to enable more of the American public and international visitors to be aware of these unique and amazing natural and historic and cultural resources our country has to offer.

I agreed to introduce the Administration's legislation which we are considering this morning not because I agree with every single thing, but because I really thought it was important to begin the discussion about how to best take care of our National Parks into the next century. I believe the Administration's proposal gives us a very good start on that discussion.

It is our responsibility to provide the Park Service with adequate resources for the Parks that are enjoyed by millions of Americans every year. I will continue to work with the Park Service so that it has the resources it needs to protect those national interests.

Obviously it would be very difficult to pass a bill with the level of mandatory spending in the Administration's proposal, but I hope that today we can hear what the priorities are of these proposals, and the consequences for not having funding.

So Madam Chair, in addition to Director Jarvis, who is here with us this morning, we have a qualified panel of witnesses who have extensive background in our National Park System and the issues. I look forward to discussing with each of them these priorities and how we move forward.

I hope that we have a very productive hearing, so that we can move forward to really try to do something to make sure that this national resource gets the attention it needs in the second century.

Thank you all very much.

The CHAIRMAN. Thank you, Senator Cantwell.

With that we will turn to the panel.

I will introduce each of you and you will then have an opportunity to present your opening statements. We ask that you keep your comments to about five minutes. Your full testimony will be incorporated as part of the record.

We will begin the hearing this morning with Director Jon Jarvis. Jon is the 18th Director of the National Park Service. He began his career with the Park Service in 1976 as a seasonal interpreter in Washington, DC. He has been with the Park Service for over 30 years now. He has served in numerous parks around the country including Wrangell-St. Elias in Alaska. It is good to have you back before the Committee, Director Jarvis.

Mr. Will Shafroth joined the National Park Foundation as President and CEO in July of this year. He has over three decades of experience working in conservation and outdoor recreation. He has worked as a consultant, as counselor for former Secretary of the Interior, Ken Salazar, and as Principal Deputy Secretary for Fish and Wildlife and Parks at the Department of the Interior. I would like to welcome you to the Committee, Mr. Shafroth.

Mr. Derrick Crandall, welcome. Derrick is counselor to the National Park Hospitality Association which is the only national organization representing officially-recognized U.S. National Park concessionaires. He has extensive background working in conservation and recreation and holds numerous positions on a variety of coalitions and advisory boards. We welcome you to the Committee.

We also have Ms. Theresa Pierno with us today. Ms. Pierno has been the President and the CEO of the National Parks Conservation Association (NPCA) since October of this year. She has a very impressive record working with conservation organizations, first joining the NPCA in 2004 and prior to that she was Vice President for the Chesapeake Bay Foundation. We welcome you to the Committee as well.

With that we will begin with you, Director Jarvis.

I will just note for the attention of colleagues it is my understanding that we are scheduled to have a vote at 11:30 this morning, so we will try to not only move through the testimony of the

witnesses but get through as much of the questioning as we possibly can before that time.

Director Jarvis, welcome.

STATEMENT OF HON. JONATHAN JARVIS, DIRECTOR, NATIONAL PARK SERVICE, U.S. DEPARTMENT OF THE INTERIOR

Mr. JARVIS. Thank you, Madam Chairman. Thank you for the opportunity to discuss Senate bill 2257, the National Park Centennial Act.

I'd like to thank Senator Cantwell for introducing the bill, the Administration's legislative proposal, and thank you, Chairman, for holding this hearing as well.

In 2016 the National Park Service will celebrate 100 years as the steward of the nation's most cherished natural and cultural resources. We are actively preparing for our second century and working hard to connect with and create the next generation of park visitors, supporters and advocates.

Earlier this year, in partnership with the National Park Foundation, we launched the Find Your Park campaign to encourage the next generation to experience the National Parks, and we are already seeing results. In 2014 we experienced record visitation with over 292 million visitors and we're on track to exceed that number this year.

These visits do more than provide inspirational, educational and recreational opportunities. In 2014 they drove \$29.75 billion in economic impact that supported hundreds of thousands of jobs around the country.

S. 2257 reflects another important component of our Centennial. The Administration developed this legislation to establish, clarify and expand a number of key existing National Park Service authorities to allow us to better serve the American people. This bill has essential provisions that we believe necessary to move the National Park Service into its second century.

S. 2257 would provide new sources of funding and strengthen the ability of the NPS to manage and operate the National Parks and programs that provide so many important natural, cultural and recreational benefits to the nation. There are ten titles.

Title I includes a Centennial declaration that would recognize that we have the responsibility, not only for administering the units of the National Park System, but for programs that provide financial and technical assistance to states, communities and individuals.

Title II would establish the National Park Centennial Challenge Fund consisting of an appropriation of up to \$100 million for three years to be used as a Federal match for signature partnership projects.

Title III would provide an appropriation of \$300 million for three years to correct deficiencies in our infrastructure.

Title IV would establish a Centennial Land Management Investment Fund consisting of a mandatory appropriation equal to \$100 million for three years for a multi-agency competitive program to enhance visitor services and restore lands and waters.

Title V would direct the National Park Foundation to establish a second century endowment.

Title VI would establish the National Park Second Century Fund in the Treasury funded through lodging fees and from the purchases of the Senior Passes for citizens 62 years of age or older.

Title VII would provide clear authority for our interpretation and educational work by consolidating our authorities. It also raised the age limit for participation in the Public Land Corps from 25 to 30 and extended the direct hire authority from 120 days to two years. And this title would also remove a \$3.5 million authorization ceiling for the Volunteers in the Parks program.

Title VIII would establish a new Visitor Services Management Authority to award and manage contracts for the operation of commercial visitor service programs.

Title IX would authorize agreements for the creation of reproductions of museum objects and we're also developing additional language related to the protection of an intellectual property and we will transmit that soon.

Title X would re-designate the Secretary of the Interior and the Director of the National Park Service as ex officio members of the National Park Foundation Board and authorize an appropriation of \$25 million each year for ten years.

So we appreciate the opportunity to discuss this important effort with you. We look forward to working with you as this bill moves forward.

Madam Chairman, that concludes my statement. I would be pleased to answer any questions.

Thank you.

[The prepared statement of Mr. Jarvis follows:]

**STATEMENT OF JONATHAN B. JARVIS, DIRECTOR, NATIONAL PARK SERVICE,
U.S. DEPARTMENT OF THE INTERIOR, BEFORE THE SENATE COMMITTEE ON
ENERGY AND NATURAL RESOURCES, CONCERNING S. 2257, A BILL TO PREPARE
THE NATIONAL PARK SERVICE FOR ITS CENTENNIAL IN 2016 AND FOR A
SECOND CENTURY OF PROTECTING OUR NATIONAL PARKS' NATURAL,
HISTORIC, AND CULTURAL RESOURCES FOR PRESENT AND FUTURE
GENERATIONS AND FOR OTHER PURPOSES.**

December 8, 2015

Madam Chairman and members of the committee, thank you for the opportunity to appear before you to discuss S. 2257, a bill to prepare the National Park Service for its Centennial in 2016 and for a second century of protecting our national parks' natural, historic, and cultural resources for present and future generations and for other purposes. This legislation, whose short title is "The National Park Service Centennial Act," is comprised of the Administration's legislative proposal of the same title that was transmitted to Congress on August 31, 2015, by Secretary Jewell. We appreciate Senator Cantwell's introduction of S. 2257 and the committee's willingness to hold this hearing on it today.

In 2016, the NPS will celebrate 100 years as the steward of the Nation's most cherished natural and cultural resources. As outlined in our Centennial Plan, *A Call to Action*, the NPS is actively preparing for its second century of operations, and working hard to connect with and create the next generation of park visitors, supporters, and advocates. Earlier this year, the NPS, in partnership with the National Park Foundation, launched a campaign to engage the next generation and new audiences in the life-enhancing and sometimes life-changing experiences at national parks. Our efforts will draw new visitors, especially millennials and young families, to experience the national parks. We experienced a record year in 2014 with over 292 million visitors and are on track to exceed that number in 2015. These visits do more than provide inspirational, educational and recreational opportunities; in 2014, they drove \$29.75 billion¹ in economic impact, supporting hundreds of thousands of jobs in communities around the country. We are also working with the National Park Foundation to leverage the interest of major corporate partners in engaging with this once in a lifetime anniversary.

S. 2257 reflects another important component of our Centennial effort. The Administration developed this legislation to establish, clarify or expand a number of key existing National Park Service authorities to allow us to better serve the American people. They are the essential provisions we believe are necessary to move the National Park Service into its second century. S. 2257 would provide new sources of funding and strengthen the ability of the National Park Service to manage and operate the national parks and programs that provide so many important natural, cultural, and recreational benefits to the nation. There are ten titles included in the legislation.

¹ "2014 National Park Visitor Spending Effects Report," National Park Service, accessed November 30, 2015, http://www.nature.nps.gov/socialscience/docs/VSE2014_Final.pdf.

Title I, the Centennial Declaration, would recognize that the NPS has responsibility not only for administering the units of the National Park System, but for programs that provide financial and technical assistance to states, communities, and individuals to protect our national heritage. Title I would also direct the Secretary of the Interior to utilize these financial and technical assistance programs to further the conservation and enjoyment of the natural and cultural heritage of the Nation for the benefit and inspiration of the public.

Titles II-IV would implement part of the President's Fiscal Year (FY) 2016 Budget request to Congress. Title II would establish a National Park Centennial Challenge Fund, consisting of a mandatory appropriation of up to \$100 million for FY 2016, FY 2017, and FY 2018 to be used as the Federal match for signature partnership projects that will help prepare the national parks for another century of conservation, preservation, and enjoyment.

Title III would provide a mandatory appropriation of \$300 million to the NPS Construction Account for FY 2016, FY 2017, and FY 2018, to correct deficiencies in NPS infrastructure and facilities. In addition to requested discretionary appropriations, funding from Titles II and III would be directed towards NPS' deferred maintenance backlog and would restore and maintain all high-priority non-transportation assets into good condition over ten years, consistent with the FY16 Budget proposal.

Title IV would establish the Centennial Land Management Investment Fund, consisting of a mandatory appropriation equal to \$100 million for FY 2016, FY 2017, and FY 2018 to provide funding for the Secretaries of the Interior and Agriculture to jointly establish a competitive program available to the four Federal land management agencies for projects that enhance visitor services and outdoor recreational opportunities, restore lands and waters, repair facilities or trails, or increase energy and water efficiency.

Title V would direct the National Park Foundation to establish a special account known as the Second Century Endowment for the NPS, consisting of gifts or bequests provided for this purpose, for projects and activities that further the mission of the NPS.

Title VI would establish the NPS Second Century Fund in the Treasury, which would be funded through additional lodging and camping fees and additional funds collected from purchases of the lifetime pass for citizens 62 years of age or older.

Title VII would clarify or expand authorities for activities that the NPS are already conducting to allow us to better serve the American people. This includes providing clear authority for the interpretation and education work of the NPS by consolidating a number of disparate authorities currently used, and directing the Secretary to ensure that management of National Park System units and related areas is enhanced by the availability and utilization of a broad program of the highest quality interpretation and education. Title VII would also raise the age limit for participation in the Public Lands Corp from 25 to 30 and extend the direct-hire authority from 120 days to 2 years, consistent with Department of the Interior resource assistant direct-hire authority. And, this title would remove the \$3.5 million authorization ceiling for the Volunteers in the Parks to accommodate the funding needed to support this growing program.

Title VIII would establish the NPS Visitor Services Management Authority (VMSA), and authorize the Secretary to establish a pilot program to allow the VMSA to award and manage contracts for the operation of commercial visitor services programs and activities.

Title IX would authorize the Secretary to enter into agreements for the creation of reproductions of a museum object in which the object and its intellectual property rights are under the control of the Secretary.

Title X would redesignate the Secretary of the Interior and the Director of the NPS as ex-officio members of the NPF board. It also would authorize appropriations of \$25 million for each of FY 2016 through FY 2026 to NPF that would be used to leverage additional non-federal funds to support our national parks.

We appreciate the opportunity to discuss this important effort with you. The Administration strongly supports this legislation and looks forward to working with Congress to get this to the President's desk.

Madam Chairman, this concludes my statement. I would be pleased to answer any questions you or the other members of the committee may have.

The CHAIRMAN. Thank you, Director Jarvis.
Mr. Shafroth, welcome.

**STATEMENT OF WILL SHAFROTH, PRESIDENT & CEO,
NATIONAL PARK FOUNDATION**

Mr. SHAFROTH. Thank you, Chairman Murkowski, Ranking Member Cantwell and members of the Committee, I appreciate the opportunity to testify before you today regarding Senate bill 2257, the National Park Service Centennial Act.

As you said, my name is Will Shafroth. I'm President and CEO of the National Park Foundation which is a Congressionally-chartered, philanthropic partner of the National Park Service. The Foundation works closely with the National Park Service to improve our National Parks and visitor experience by raising and investing philanthropic funding and corporate support throughout the park system. The Foundation is working hard to maximize the impact of the Centennial of the National Parks can have on increasing awareness of and catalyzing investments in the parks, all in service of preparing our parks for another century of success.

The Centennial represents a once in a lifetime opportunity for Americans of all ages, races, genders, ethnicities, and political affiliations to unite behind a shared vision for the National Park System during its second century. Realizing this goal requires us to generate innovative, new approaches to improve the visitor experience, ramp up our private fundraising and create an improved funding model for our parks.

The Foundation greatly appreciates the Committee's efforts to advance the discussion by holding this hearing and we are eager to begin the dialog.

There's several aspects of Senate bill 2257 that relate to the Foundation's mission that we support.

The first is the amendment to the National Park Foundation charter that would transition the Secretary of the Interior and the Director of the Park Service to ex officio, nonvoting members of the Board. This is very important to us from a governance standpoint. The second is the authorization of \$25 million to be appropriated annually for ten years to the Foundation to be utilized for important programs and projects throughout the National Park System. Both of these changes will bring the National Park Foundation in line with our sister foundation, the National Fish and Wildlife Foundation.

I also want to focus on the need for broader funding sources for our parks. And while we understand the budget restrictions facing the Committee, we also believe that the Centennial provides us with an opportunity to look at a more holistic model for the parks.

The first piece of that is the Centennial Challenge. The Foundation strongly supports the proposed authorization of a Centennial Challenge Fund paired with dedicated funding and a non-Federal match. The Centennial Challenge would undoubtedly create a strong incentive for increased philanthropic contributions to park programs and projects.

In the five months after Congress appropriated \$10 million for the Centennial Challenge in the CROmnibus, the Park Service with partners including the Park Foundation and local friends groups,

secured an additional \$16 million to fund 106 projects nationwide. I'm confident that the Park partners can raise substantially more matching funds with this program, especially the program that's authorized for a number of years and increased funding is provided.

The Foundation also strongly supports the proposed authorization of an endowment housed at the Foundation. Establishing this long term funding source would allow the Foundation to raise significantly more private funds for Park projects and programs as a part of donors' estate planning and annual giving, especially from the new, from the baby boomers generation which is just maturing into a lot of philanthropic support.

We recognize it will take a broad diversity of funding sources to ensure the success of the Centennial Challenge as well as the endowment. From a private fundraising standpoint it's essential that the Federal Government have skin in the game. The first question I get from prospective donors is, is the Park Service invested?

Among the ideas under consideration the Foundation supports utilizing the long, overdue increase in the price of the Senior Pass and the establishment of overnight fees at lodging throughout the Park System to fund these programs. Consumers are used to paying overnight fees at lodging facilities including gateway communities. Utilizing these fees can help ensure that the money is invested in the long term success of the parks.

We're happy to work with you all to figure out how to best divide these fees between the endowment and the Centennial Challenge, but both deserve support. Just know that these and other sources of funding would be leveraged with private funds to improve the parks.

While the National Park Centennial isn't officially until 2016, the National Park Service and the National Park Foundation and many others have kicked off the commemoration and celebration of this year with a launch of the Find Your Park public engagement campaign. The response has been overwhelming with increased visitation to and engagement with our National Parks.

The Centennial of the National Park Service comes around only once, at least once in our lifetimes, and the focus of millions of Americans will be on our National Parks between now and the end of 2016. We have a tremendous opportunity to capitalize on this momentum and excitement to help prepare the National Park Service for a second century of success. This will require that we place our political and philosophical difference aside to work jointly on behalf of future generations so that they too can experience and realize the many benefits of America's best idea.

We look forward to working with the entire Committee to continue refining and ultimately enacting this vitally important legislation.

Thank you for the opportunity to appear before you today and I welcome any questions you might have.

Thank you.

[The prepared statement of Mr. Shafroth follows:]

TESTIMONY OF
WILL SHAFROTH
PRESIDENT & CEO
NATIONAL PARK FOUNDATION
Before the Senate Committee on Energy and Natural Resources
December 8, 2015
On S. 2257, the National Park Service Centennial Act

Chairman Murkowski, Ranking Member Cantwell, and Members of the Committee, thank you for the opportunity to testify before you today on behalf of the National Park Foundation. My name is Will Shafroth and I am the President and CEO of the National Park Foundation.

Established by Congress in 1967, the National Park Foundation is the Congressionally chartered philanthropic partner of the National Park Service. NPF raises philanthropic funds that directly aid, support, and enrich America's 409 national parks and their programs. The Foundation plays a critical role in their conservation and preservation and provides equal opportunities for all Americans to experience, enjoy, learn from and support these treasured places. We carry on the legacy that began more than a century ago, when private citizens from all walks of life took action to establish and protect our national parks.

Over the past five years, the National Park Foundation has contributed more than \$90 million to the national park system through grants, programs, goods and services including more than \$17 million in fiscal year 2015.

2016 marks the 100th anniversary of the National Park Service. The Centennial represents a 'once in a lifetime' opportunity for Americans to come together to celebrate the achievements that have been realized as the result of "America's Best Idea." Most importantly, the anniversary presents an opportunity for Americans of all ages, races, genders, ethnicities and political affiliations to unite behind a shared vision for building upon the success of the National Park System during its second century. This is our opportunity to both celebrate the past and look to the future.

The National Park Service (NPS) and National Park Foundation (NPF) are working closely with partners and stakeholders across the country to ensure that the Centennial is more than just a birthday. For example, earlier this year the NPF and the NPS launched the Find Your Park public education and engagement campaign (FindYourPark.com) to inspire all Americans to connect with, enjoy, and support America's national parks. The purpose of the campaign is to connect Americans to all of the 409 national park units, from iconic Parks such as Denali, Mt. Rainier, Yellowstone, Cuyahoga Valley, Great Smoky Mountains, Rocky Mountain, Grand Teton, and Grand Canyon to the small historic sites in our own backyards like Charles Young Buffalo Soldiers National Monument and the New Orleans Jazz National Historic Park. Since we launched this campaign in early April, more than 28,000 Americans have submitted a story of finding their park including several members of Congress, there have been more than 140,000 uses of the Find Your Park hash tag and nearly two million shares, likes and retweets of Find Your Park social media posts. Most importantly, we're seeing increased visitorship to our parks. From April through September there were more than 201 million park visitations and from January through September 2015 there were more than 248 million visits, an increase of 10 million visits over

the same time in 2014. We're on pace to break the record park visitations of 292.8 million, which was set just last year.

Additionally the National Park Foundation is undertaking our largest national fundraising campaign to fund priority projects and programs throughout the national park system. The proposed projects include everything from enhancing the digital experience throughout the National Park System, to trail and facility restoration projects. The Foundation and the Service worked together closely to develop this list that we believe will have great appeal to philanthropic donors.

In addition to celebrating past accomplishments and re-connecting Americans to their parks, the Centennial Anniversary should also be a time to identify shortcomings and develop innovative ways to address them. For example, the Centennial presents an opportunity for us to generate innovative new approaches to addressing challenges associated with securing the needed funding to prepare and sustain the National Parks for another century of service. That's why I'm so pleased to have the opportunity to testify today.

Generating nearly \$30 billion in economic activity and more than a quarter of a million jobs annually, our National Parks provide among the best returns the federal government gets on investments of taxpayer dollars.

However, as is well known the National Parks have a deferred maintenance backlog of approximately \$11.5 billion. I should note that while nearly half of this total represents transportation infrastructure costs, it also doesn't account for the funding needed for day-to-day operations.

While federal appropriations are likely to and should remain the largest funding source for the National Park Service, it is unlikely that current federal budget constraints will be reversed in the near future. Therefore, it is imperative that we utilize the 2016 Centennial to explore new funding models that can be utilized to supplement the taxpayer investments needed to prepare and sustainably fund our parks for another 100 years of service. Why? Because it will connect current visitors to our parks in new state-of-the-art ways and introduce a new generation to the natural beauty and grandeur of our American landscape through our national parks.

This new paradigm must include finding new ways to incentivize foundations, non-profit organizations, individual donors, and corporate partners to make even greater investments in our parks going forward. Activities are already underway that prove the viability of this new, innovative approach of partnering with companies and corporations. For example, NPF has raised more than \$30 million from corporate partners to support the parks, including for the Find Your Park campaign, which is being funded entirely through corporate partners who see the campaign as a way to simultaneously benefit the National Park System and the financial interests of their companies.

Through the launch and implementation of the Find Your Park public engagement campaign and our national fundraising campaign we've learned a few key lessons.

First, the Foundation and the National Park Service are developing an enhanced understanding of the types of projects and programs that are most and least attractive to private donors and corporate partners. The ability to categorize these projects is helpful to informing which projects should be pursued for contributions and corporate sponsorships and which should be pursued as part of the federal budget and appropriations processes. For example, building or restoring necessary infrastructure

such as roads, restrooms and maintenance facilities are better suited to being completed with federal appropriations. Conversely, adding cellular service and mobile phone applications to enhance the experience of park visitors tend to be the types of projects that generate non-federal partner interest in making donations or sponsorship investments.

Importantly we are also learning that matching federal investments provide private donors and corporate partners the added layer of certainty they need to make a contribution or corporate investment in a national park program or project.

With all of this in mind I'd like to focus on three sections of S. 2257.

Centennial Challenge

The Foundation strongly supports the Centennial Challenge fund paired with 'dedicated' funding. At the end of 2014, Congress appropriated \$10 million for this fund, which, in just five months, NPS and partners were able to match with an additional \$16 million to fund 106 projects.

Enactment of this provision, which would require a non-federal match, would undoubtedly create a strong incentive for increased philanthropic contributions to park programs and projects leading up to, during and beyond the Centennial.

NPF Endowment

We also strongly support the proposed authorization of an endowment housed at the Foundation, which will establish a long-term funding source for important park projects and programs. The endowment will allow the Foundation to raise significantly more private funding for the parks as part of donors' estate planning and gift giving. Endowment growth serves to build a stable long-term source of private resources for Parks.

Funding

We are cognizant of the budgetary restrictions facing this committee to fund these vital programs. However, for both the Centennial Challenge and the endowment to be effective the government must invest in them. With increased lead time and long-term funding, NPF, local friends groups and other partners will be able to leverage the government's Centennial Challenge investment for even greater impact.

A federal investment is key to making the endowment viable to potential donors who want to know their donations are not the sole source of funding. Additionally, seeding the endowment will help it grow as the Foundation solicits philanthropic dollars.

That's why the Foundation supports utilizing the long overdue increase in the price of the "senior citizen pass", which the National Park Service estimates will raise \$35 million annually, and the "overnight fees", which NPS estimates will raise \$12.7 million annually, in Section 6 of S. 2257 to fund these important programs.

NPF believes these "overnight fees", which consumers are used to paying when staying in lodging around the country are used most effectively to leverage significant philanthropic dollars for the long-term health of our national parks. We would also support some percentage of the fees going to concessionaires to alleviate the burden of collecting the fees.

Additionally, we would welcome the opportunity to continue to work with the Committee to identify additional funding sources for the Centennial Challenge and the endowment to strengthen both programs.

Park Foundation Structure

Finally, the Foundation strongly supports the legislation's inclusion of amendments to the NPF charter that would transition the Secretary of the Interior and the Director of the National Park Service to ex-officio, non-voting members of the National Board of Directors. The Foundation's authorizing legislation names the Secretary of the Interior as the Chair of the NPF Board and the Director of the National Park Service as the Secretary of the NPF Board. As with any cabinet position, the Secretary of the Interior is a job that has turnover due to national elections and other factors. History has shown that a change in administration occasionally leads to a change in NPF leadership. The resulting uncertainty can be avoided by allowing the board to select its own leadership.

The Foundation also supports the legislation's authorization of \$25 million to be appropriated each year, over the course of ten years, to the NPF for park projects and programs. This would result in a significant increase in the leveraging of private funds to benefit parks and visitors similar to the successful model set forth in the charter of the National Fish and Wildlife Foundation.

Conclusion

As we approach the National Parks Centennial year, it is inspiring to see a diverse and bipartisan coalition of lawmakers, non-profit organizations, businesses and individuals uniting behind a shared commitment to seizing the historic opportunity presented by the Centennial Anniversary to develop and execute innovative new approaches that will ensure that our National Parks achieve another century of success.

It is imperative that we utilize the 2016 Centennial to explore new funding models that can be utilized to supplement the taxpayer investments needed to prepare and sustainably fund our parks for another 100 years of service. Without enhancements and improvements we risk a first time visit to a national park becoming a one-time visit instead of a life-long love for these amazing places.

This new paradigm must include finding new ways to incentivize even greater philanthropic and corporate investments in our parks going forward. We must see supporting our parks not as just the role of taxpayers and Congress or just private citizens or foundations. We must see it as working together in concert to support our parks with federal funds, private philanthropy, corporate partnerships, fees and volunteerism.

The Centennial of the National Park Service comes around only once and the focus of millions of Americans are already on our national parks and will be there through the end of 2016. We have a tremendous opportunity to capitalize on this momentum and excitement to help prepare the National Park Service for a second century of success. This will require that we place our political and philosophical differences aside to work jointly on behalf of future generations so that they too can experience and realize the many benefits of "America's Best Idea" as we have.

We look forward to working with the entire committee and the rest of our emerging coalition to continue refining and ultimately enacting this vitally important legislation. Thank you for the opportunity to provide this testimony.

The CHAIRMAN. Thank you, Mr. Shafroth.
Mr. Crandall, welcome.

**STATEMENT OF DERRICK CRANDALL, COUNSELOR, NATIONAL
PARK HOSPITALITY ASSOCIATION**

Mr. CRANDALL. Thank you, Madam Chair.

The National Park Hospitality Association is delighted to be here to address such an exciting opportunity, the Centennial comes at a right time to keep the National Parks relevant and cherished by Americans of all ages, of all backgrounds. And we want to make sure that the concessions community continues to play a major role in that.

We serve more than 100 million visitors to National Parks every year employing 25,000 people, doing approximately \$1.3 billion worth of business, providing lodging and food and a variety of other kinds of activities.

Let me begin with a statement of appreciation to the current Park Service leadership.

Jon Jarvis and his team have recognized that although the parks have many champions the voices have been weakening and have grown less numerous. And through the efforts working with the Park Foundation and Park partners has launched a very exciting opportunity to enlist a new generation of park supporters. We applaud that and support so much that is now being talked about here.

My written testimony goes into some more depth in terms of our support for a number of the elements in the suggested legislation. What I'd like to do, though, today is to talk about the importance of backing up the invitation to all Americans to come and visit our parks with being prepared to provide great experiences when people come to these great places. And that's where, we think, the concessions community can play a very important role.

An agency which is capital strapped and has a well-documented inability to maintain its infrastructure with appropriations needs help to meet visitor needs and expectations and concessioners have been, are, and will continue to be partners here. Concessions operate a visitor infrastructure that was built with private capital. Taxpayer dollars did not build the Ahwahnee or the El Tovar or the lodges in Glacier. Taxpayers did not buy the boats which take millions to the Statue of Liberty and Fort Sumter, Alcatraz and the Dry Tortugas. All totaled the infrastructure provided by concessioners equates to billions of dollars, and the investment in the infrastructure continues.

In Yellowstone, Xanterra is investing nearly \$200 million of its capital in major reconstruction and replacement of five lodges, a new employee housing complex which has received LEED platinum certification and more. There is no taxpayer funding for these improvements but these improvements will greatly benefit millions of park visitors.

There's no need to find an offset for this funding or to have this investment add to the Federal deficit. The investment is a significant attack on the Park's backlog of deferred maintenance, and the investment will be amortized over 40 years through a straight line depreciation of Xanterra's investment. Xanterra is actively using

conservation and returning veterans corps members to do much of the work in the Yellowstone project leveraging its spending with programs that provide invaluable training and assistance to young Americans.

In Shenandoah, Delaware North teamed up with a corps network and the National Trust for Historic Preservation to rebuild on ACCC era equestrian center. It's a win/win/win. A rebuilt and improved facility is once again serving the public. The project was completed at a cost of at least 20 percent below traditional rehabilitation and construction costs and five young African Americans have now acquired historic reconstruction carpentry skills and have become park champions riding for the first time on horses, hiking, camping out in a National Park.

Pisgah Inn on the Blue Ridge Parkway, a small concessioner, has invested \$1 million in a new sprinkler system that will safeguard that investment. This is the kind of investment that comes through LSI.

But there are things that can and should be done by the Congress to help the concessioners continue this role of investment.

First of all the use of the LSI tool is poorly understood. The way I guess we would like to have it understood is that it's an extraordinary power to borrow capital to fund needed park construction in a way that requires no offset, uses no taxpayer dollars, does not score in CBO and OMB calculations and which, like a mortgage on your house, is paid off over time.

The Congress needs to allow the agency additional contract length to be able to use the LSI tool effectively from the maximum under the current law of 20 years to 30 years. And normal concessions contracts which are now directed by the Congress to be ten years should in most cases be 15 years, perhaps longer in both cases. Remember that ski areas are permitted in National Forests for a period of 40 years.

Congress needs to allow the agency to reward excellence in performance with a bonus, a contract extension which is a common practice in the hospitality world, to provide for these merit-based extensions.

We think that the Congress did a wonderful thing in 2011 by directing the Forest Service to assist the public by making more recreational activities available at ski areas without requiring separate permits for zip lines and mountain biking and a variety of other kinds of things. Adding new visitor services in parks is not easy. We can document the instances where concessioners have proposed to add what visitors want to do there and found it difficult. We'd like to invite the Congress to give the Park Service the same encouragement you gave in 2011 to the Forest Service to look at that.

Finally we think there's a great opportunity. There are more than 200 national parks which are hampered by little or no visitor services. This is an extraordinary opportunity. The Park Service should solicit offers for services from current and new concessioners at these units and should utilize new concepts like satellite operations where an existing concessioner at a nearby unit can provide support during special periods and for special events.

And finally we would like to encourage this Committee to look seriously at working with colleagues that are running committees, the Environment Public Works and the Finance Committee, to look at a concept that we've labeled "Penny for Parks." Working with a coalition of recreation, tourism, conservation and other organizations we believe that this Committee could effectively make the case that the next surface transportation program for this nation needs a new title that deals with parks and public lands. And a funding source for that, we believe, there is sufficient public support to move in a game changing way in that way.

We thank the Committee for the opportunity to be here, look forward to any questions.

Thank you.

[The prepared statement of Mr. Crandall follows:]

Statement of Derrick Crandall, Counselor, National Park Hospitality Association, Before the Committee on Energy and Natural Resources, U.S. Senate, on Preparing the National Park Service for Its Centennial, December 8, 2015

Madame Chair and Distinguished Committee Members, the National Park Hospitality Association (NPHA) offers this testimony regarding legislation preparing the National Park Service for its Centennial in 2016. NPHA is both enthusiastic about and actively engaged in activities associated with the Centennial of the National Park Service. The role of this agency in protecting and supporting the enjoyment of the special legacy of America's more than 400 park units is important and appreciated by the public.

We applaud and share the interest of the Congress in using the Centennial as a time to assess and improve the tools available to protect, promote and manage our park units. We are proud of the role we played, in concert with the Bipartisan Policy Center and the National Parks Conservation Association, in hosting a Bridgebuilder session in March 2013 examining **Sustainable Supplementary Funding for America's National Parks**. We offered sixteen white papers for Congressional and agency consideration, from a new Penny for Parks increase in federal motorfuel taxes to provide better public access to the Great Outdoors to changes which would allow historic tax credits for investments in qualifying sites in parks. This Committee held a hearing on these ideas in July 2013.

Concessioners have served park visitors since the 1870's and today serve some 100 million park visitors annually in approximately 120 park units. Concessioners have a combined workforce of nearly 25,000 persons, mostly front-line, visitor contact jobs, and provide in excess of \$1.3 billion in goods and services to visitors annually. Concessioner franchise payments to NPS are more than \$100 million annually. Concessioner marketing and promotion efforts total more than \$20 million annually, and are coordinated with marketing and promotion efforts of states and gateway communities that equal that amount. Concessioners are leading efforts to promote the National Park System to all Americans to address a major problem: Visitation to parks has been flat over the past three decades, and has actually declined if you discount new units added to the system. Most importantly, concessioners are committed to meeting America's needs – needs for healthier lifestyles, for better and lifelong educational opportunities, for strong local and regional economies that can sustain and protect our parks and for connecting all Americans across differences in regions, ages, income and ethnicity.

We applaud efforts to enact meaningful NPS Centennial legislation. We support with enthusiasm provisions which invite and challenge organizational and individual donors – by leveraging the impact of their contributions. This is a proven strategy for parks and philanthropy in general. Our members were involved in an initial, successful Centennial Challenge effort mounted under then-Interior Secretary Dirk Kempthorne and help park visitors support park projects through the Guest Donation Program.

We further support the concept of an endowment for our parks, although we believe that the \$11.5 billion backlog in deferred maintenance is of such urgency that we cannot support diversion of fees and other current funding streams away from critical current operational needs.

Based upon our knowledge about visitation to America's national parks, we offer the following specific comments on S. 2257:

- 1) We recently reviewed the Discussion Draft prepared by the House Committee on Natural Resources addressing the Centennial of the National Park Service. We urge adoption by this Committee of that House document's purpose statement:

To prepare the National Park Service for its Centennial in 2016 and for a second century of promoting and protecting the natural, historic, and cultural resources of our National Parks for the enjoyment of present and future generations, and for other purposes.

- 2) We recommend a replacement in the funding stream proposed for the National Park Service Second Century Fund. The proposed 5% tax on lodging within national parks should not be adopted for several important reasons. First, it would alter the comparability provisions for the pricing of lodging in parks established under the 1998 concessions law. Second, the tax would be paid by a very small portion of all park visitors and would yield no responsive benefits to those paying the tax. Third, the tax could be a real deterrent to efforts to attract visitors to parks during shoulder seasons, undermining important streams of revenue to the agency from entrance fees and franchise fees that are key to operations and maintenance. Fourth, the addition of a new federal tax on state and county sales and tourism taxes, utility pass-through charges and more is likely to have a chilling effect on the guest donation program – again, an important source of support for park programs and projects today and an important opportunity for expansion as a funding strategy once needed revisions are made to NPS Directors Order 21. Fifth, the collection of this tax will impose a new administrative burden on concessioners.

Instead, we suggest that the Committee add a Centennial Park Entrance Fee Surcharge of \$1 on all existing entrance fees – whether for vehicles or per person. We believe that this would be a fair and appropriate means to raise revenues of at least \$10 million annually. We also believe that park visitors can be told about the surcharge in a way that will yield support, and perhaps interest in additional actions to support parks.

- 3) We enthusiastically support the continuation and expansion of the Centennial Challenge Program. Encouraging non-profits, corporations and individuals to contribute toward important national park programs and projects is a vital part of a long-term strategy for keeping America's parks relevant and well-functioning.

- 4) We support the proposal to authorize an appropriation of up to \$25 million annually for the National Park Foundation. We strongly support the Foundation's Centennial efforts, including leadership of the **Find Your Park Campaign**, to make our National Park System relevant, enjoyed and supported. We support continuing outreach efforts after the Centennial. We think appropriated general funding, and other sources including resource mitigation and penalty funds, can dramatically increase available park resources.
- 5) We urge the Committee to act outside of the current legislation to support creation of a **Centennial Penny for Parks** federal motorfuel excise tax surcharge. We are attaching our letter to the Chairman of the Committees on Finance and Environment and Public Works that further outlines this concept. The significant revenues associated with this program – an estimated \$1.5 billion annually -- would allow elimination of the large and growing backlog in transportation-related investment needs in national parks and other federally managed lands within a decade and could underwrite innovative ways to improve accessibility of all Americans to their Great Outdoors.
- 6) Our greatest concern involves TITLE VIII—National Park Service Visitor Services Management Program. We have previously advised the Committee and the agency that we believe the current Concessions Program of the agency needs major changes. This title not only fails to achieve any of these changes – changes in which the agency has publicly expressed interest – but threatens the core of more than a century of success in serving park visitors. In explaining this proposal, agency leaders have offered a vision of using management contracts as a replacement for the current concessions contracts. This vision is seriously flawed and is the antithesis of what the agency needs most today.

The National Park Service is, has been for several decades, and will continue to be for many years, a capital-strapped organization with a well-documented problem maintaining its infrastructure. A noteworthy exception has been the concessioner-operated buildings used for lodging, food service, retail and other visitor services. While serving a large portion of all park visitors, these structures are a minor part of the very large backlog of deferred maintenance. The reason is simple: these structures were largely built with private capital and have been maintained by concessioners with long-term commitment to the parks without use of appropriated general funds.

This pattern continues today. In Yellowstone National Park, as part of a new concessions contract, Xanterra is investing nearly \$200 million of its capital in major reconstruction and replacement of five lodges, an employee housing complex which has received LEED Platinum Certification and more. There is no taxpayer funding for these improvements, but these improvements will greatly benefit millions of visitors. There was no need to find an offset for this funding or to have this investment add to the Federal deficit. And the investment will be completely amortized over 40 years, through a straight line depreciation of Xanterra's investment. One additional and important note: Xanterra is

actively using conservation corps and returning veteran corps members in much of the Yellowstone project, leveraging its spending with programs that provide invaluable training and assistance to young Americans in need.

The new Yellowstone contract should be the pattern of all new NPS concessions contracts, but it is not. Until very recently, NPS has limited contracts to just ten years in length. And Yellowstone is a major exception to most concessions contracts which have sharply limited new investment by concessioners, despite authority provided by the 1998 Concessions Act. The agency needs to understand that ignoring use of the Leasehold Surrender Interest authority reduces the quality of visitor service and continues the pattern criticized by former U.S. Senator Coburn during a July 2013 hearing before this very Committee, when he noted that failure to continue regular maintenance and investment typically increases ultimate costs by a factor of five.

To better understand the challenge which would arise from the agency's advocacy of management contracts, consider the application of this idea to another successful public/private partnership model serving the nation's recreation needs on public lands: ski areas. Just like the Ahwahnee and El Tovar and other great park lodges, many of America's ski areas in national forests are world class. Ski areas rely upon 100% private investments made possible by permits of 40 years. Under the type of management contract outlined by NPS officials, taxpayer funds would be needed if Vail Resorts sought a new to build a new high speed detachable quad lift. And while using the ski area comparison, NPS would like to applaud the leadership of this Committee in 2011, when it directed the Forest Service to facilitate additional means for the public to enjoy outdoor fun by expanding off-peak offerings at ski areas.

In addition to our concerns about the proposed use of management contracts, we believe that the National Park Service should be actively encouraged to increase and enhance visitor services. During the hearing referenced earlier before this Committee in July 2013, Senator John Barrasso asked the NPS witness how concessioners could better serve park visitors. We responded with a listing of additional services that could be added quickly to make park experiences better, but which have each met resistance from NPS when proposed. Let me repeat that listing:

- ▶ Astronomy classes and telescope rentals (including computer-aided scopes)
- ▶ Camera rentals, including all weather cameras and GPS-coded cameras
- ▶ Photography classes, including use of DSLR cameras and photo editing
- ▶ Seminars on using the outdoors for health
- ▶ Healthy and sustainable foods showcase weekends
- ▶ Wi-Fi service, with basic service free and more robust service on a fee basis
- ▶ Guided mountain bike tours on trails not normally allowing biking
- ▶ Rental tents, yurts and simple cabins erected in existing park campgrounds
- ▶ Backcountry fishing trips
- ▶ Special interpretation activities for kids
- ▶ Docu-dramas about park themes, history – like the Lost Colony production

- ▶ Zip lines
- ▶ Trail food services (like use of beverage carts on golf courses)
- ▶ Kayak rentals
- ▶ Fishing equipment rentals and lessons from mobile as well as stationary sites
- ▶ Electric bike rentals where regular bikes are rented
- ▶ Watchable wildlife tours
- ▶ Rental of glass-bottom, electric boats at certain units
- ▶ Airport pick-ups of visitors and luggage comparable to that offered by resorts
- ▶ Voluntourism programs
- ▶ Additional services to international visitors and group tours

Our witness further noted that additions of these services would generate substantial new franchise fees to aid park operations. In fact, we have advised the National Park Service that new flexibility in concessioner operations could boost franchise fees by \$50 million annually within two years.

In March of 2015, the House Committee on Oversight and Government Reform conducted a hearing on NPS concessions operations. Key testimony at that hearing included the following:

- 1) Historic Tours of America CEO Chris Belland noted that a delay of nearly two years in approving an increase in the passengers allowed on the Dry Tortugas National Park concessions ferry deprived some 10,000 visitors of an experience in the park, while causing hundreds of thousands of dollars in lost entrance fees and franchise fees by NPS.
- 2) Grand Teton Lodge Company and Flagg Ranch Company Vice President and General Manager Alex Klein called for key changes in concession operations, saying, "A system designed to reward those that provide excellence in concession operations would benefit both incumbent concessioners as well as the National Park Service. Rather than challenging ourselves to innovate every time a concession contract comes up, it would encourage constant innovation and excellence in the performance of a contract." He also noted the failure of NPS to allow use of GAAP in assessing LSI valuation.
- 3) Terry MacRae, CEO of Homblower Cruises, applauded agency efforts to encourage all Americans to visit parks. He noted, though, "Stagnant park visitation over the past two decades reflects more competing leisure choices today and reduced in-park visitor activity choices – potential visitors are choosing other destinations. There are fewer park campsites, fewer lodging rooms, fewer restaurant seats, fewer ranger-led walks, fewer tours and outings. Visitor services eliminated by NPS have not been offset by new outdoor activities and special events."

In summary, we support a replacement for this title with a **Visitor Outreach and Experience Improvement Program**. The revised title would correct a pejorative orientation of the current title which reflects the unfortunate attitude that people are the enemy of our national parks and must be managed. We have had an Interior Secretary and several leading agency officials complain publicly that "visitors are loving our parks to death." It is important to note that the National Park Service's first

Director disagreed completely. He believed that the agency needed “to get people to use the parks before he could get legislation and appropriations.” More on this is found in the article from National Geographic entitled “How Good Old American Marketing Saved the National Parks” (March 2015).

For decades, national parks offered the leading example of use of private capital to support public agency efforts. Investments by concessioners since the early 1900's have produced a remarkable set of treasured structures that are world-renowned. From Yosemite Valley to the Grand Canyon, from Grand Teton to Glacier, from Acadia to the Blue Ridge Parkway, lodges and restaurants and stores and marinas have been built with private capital – and are now some of the most prized elements of our National Register of Historic Places. We now see a similar pattern of public/private partnerships emerging in transportation and other programs. The National Park Service can and should build upon this wonderful tradition in its second century, guided and encouraged by new Congressional direction in the Centennial Act.

Specifically, we urge this new title to include direction to attract needed investment from concessioners to expand and improve visitor services in parks, including through modernization of lodges, campgrounds and marinas. Part of this modernization will depend upon legislative changes giving new flexibility to the agency, including authority to issue concessions contracts of up to 40 years – a provision that should permit eligibility for historic tax credits by concessioners and thus boost the attractiveness of significant investments that can permit existing and iconic structures to be functional and efficient and modernized to incorporate best practices in design. We also support repeal of a provision of the 1998 act interpreted by the agency to limit adding and testing new visitor services without instituting a new concession offering. Improved visitor experiences will also result from extension of operating hours and seasons and encouragement of the transfer of existing campgrounds to concessioner operations, which will offer more diverse overnight options, serve more visitors and generate new revenues for the agency.

We would also support experimentation with new models for public-private partnerships, especially for park units that now receive low visitation and/or have inadequate visitor services to accommodate greater visitation. We do support experimentation with leases and non-appropriated funding instrumentalities over the next decade, and support Congressional authority for up to ten pilot efforts which supplement, but do not compete with or replace, the agency's current concessions contracts and authorities.

- 7) We ask the Congress to support revitalized NPS efforts to promote visitation of national parks, a core mission of the agency established under its 1916 organic act:

“The service thus established shall promote and regulate the use of the Federal areas known as national parks, monuments, and reservations ...”

Promotion efforts of the agency flourished during its initial 50 years of operations, including hosting the original U.S. Travel Bureau. In order to revitalize this core program, we urge the Congress to specifically authorize the use of up to 10% of the franchise fees paid by national park concessioners annually to support NPS outreach and marketing efforts in partnership with states, gateway communities and concessioners. We believe that outreach and promotion efforts will increase collection of park entrance and recreation fees sufficiently to underwrite both improvements in visitor experiences and specific efforts, including fee-free days, to successfully invite non-traditional park visitors. There are numerous examples of isolated and successful cooperative efforts now underway, including shared interpretive costs and outreach to international visitors through Federal Row at IPW, which could be made commonplace.

Most concessioner franchise fees are retained in the park generating those fees – 80% of all franchise fees are used locally. The remaining 20% are used at the discretion of the NPS Director. We urge incorporation in the Centennial Act of a new National Park Outreach and Promotion Fund and the following funding strategy:

“Up to 10% of the concessioner franchise fees collected by the agency each year may be used to support agency outreach and marketing programs designed to connect all Americans to their parks, and especially those portions of the American public under-represented among current park visitors. Nothing in this provision, however, shall authorize any change in the use of concessioner franchise fees retained by the park generating the fees. Outreach and marketing programs shall be undertaken in cooperation with state and regional DMOs and NPS concessioners, and shall require not less than 1:1 matching of federal funds.”

- 8) We support increased use of conservation corps in national parks. Concessioners in Shenandoah National Park, Yellowstone National Park and other units are utilizing youth conservation corps to undertake construction, reconstruction and maintenance projects which replicate many of the successes of the Civilian Conservation Corps Program of the 1930's, including connecting urban youth to parks. Pilot projects have shown that use of conservation corps can also actually reduce project costs. Direction by the Congress in the Centennial Act would aid in expanding use of conservation corps in parks, working cooperatively with The Corps Network, the National Trust for Historic Preservation and concessioners, reducing the barrier of current Federal Acquisition Regulations (FAR) and more.

Madam Chairman and Members, we know you would agree that we need to get Americans back in touch with nature, engaged in physical activities and outdoor

recreation, and connected to the magnificent culture, heritage and landscapes that are celebrated by our National Park System. We need to reach out to youth to encourage them to share in the wonder and enjoyment of our national parks and discourage the increasingly sedentary lifestyles that are contributing to our health care crisis. We need to expand park visitation to encourage minorities, disadvantaged communities, new Americans and urban residents to see their national parks for themselves and to build a broader constituency for America's Great Outdoors. And, we need to find new and innovative ways to reinvest in the maintenance, restoration, and expansion of critical park infrastructure – much of which was built either by private investment when the national parks were first created, or in conjunction with the work of the Civilian Conservation Corps more than half a century ago.

The National Park Hospitality Association and the National Park concessioners want to help you, the National Park Service, and all Americans in achieving these objectives. As the 100th Anniversary of the National Park Service shines a light on America's Best Idea, we hope you will help us build on our longstanding partnership with the NPS to find new and innovative ways to improve the parks and create a new generation of Americans who share in the wonder of this amazing legacy.

We thank you for considering this testimony.

Derrick A. Crandall, Counselor
National Park Hospitality Association
1200 G Street, NW, Suite 650
Washington, DC 20005
202-682-9530
dcrandall@funoutdoors.com

Attachments

"How Good Old American Marketing Saved the National Parks"
Letter to Chairmen Hatch and Inhofe on Penny for Parks



December 4, 2015

The Honorable James Inhofe, Chairman
Committee on Environment and Public Works
U.S. Senate
Washington, DC 20510

The Honorable Orrin Hatch, Chairman
Committee on Finance
U.S. Senate
Washington, DC 20510

Dear Chairmen Inhofe and Hatch:

We are writing to urge your personal support in capitalizing on important opportunities and national needs regarding the transportation infrastructure of our nation's national parks and other legacy Great Outdoors areas. The National Park Service will celebrate its 100th anniversary in 2016 - a wonderful testimonial to bipartisan leadership to protect special natural and historic sites across our nation and to use these sites to tell some of our greatest stories. Our national parks and other public lands - including national forests and national wildlife refuges and more - attract more than a billion visits annually. But these special places are in trouble.

Nearly one-third of our nation is managed by federal agencies ranging from the National Park Service to the Forest Service, from the Bureau of Land Management to the U.S. Army Corps of Engineers. These lands are vital to the nation for many reasons and certainly for their importance to recreation and tourism. Recreation expenditures in this country total more than \$650 billion annually. To demonstrate the importance of federal lands, consider just three numbers:

- 1) national park **concessioners provide more than \$1.3 billion in lodging, food, transportation and other services to tens of millions of visitors to national parks** annually, employing 25,000 persons;
- 2) key sectors of the recreation community are especially reliant on these lands and waters. **More than 60% of all downhill skiing occurs at ski areas in national forests;** and
- 3) the national strategy to dramatically boost tourism to the USA, essential to achieving a better balance of trade, relies significantly on America's Great Outdoors, according to Brand USA, the Congressionally-chartered corporation charged with **growing inbound visitors from 60 million in 2011 to 100 million in 2021.**

1200 G Street, NW ● Suite 650 ● Washington, DC 20005 ● 202-682-9530

Letter to Chairmen Inhofe and Hatch
December 4, 2015, Page Two

The condition of infrastructure on federally-managed lands is bleak. Key forest roads essential to reaching campgrounds, river access points and trailheads are no longer safe for passenger cars. Our iconic National Park System, less than a year from its managing agency's Centennial, has a backlog of deferred maintenance of nearly \$12 billion in road, water system, dams and structures and has virtually no plans to expand its capability to serve our growing population. Other key agencies, including the Forest Service, also have backlogs of deferred maintenance totaling in the billions of dollars, and are actually closing roads and reducing public access.

Unlike virtually all other public roads in America, roads on America's public lands receive no support from the state motorfuel tax levied on gasoline sold at the retail level. For the estimated four million miles of interstates, primary and secondary routes, these state taxes fund 20% of road construction and reconstruction and nearly all maintenance and operations. Yet roads vital to Americans seeking to access campgrounds, trailheads, beaches and to reach rivers and lakes on federal lands depend upon appropriated federal dollars from the beleaguered domestic discretionary pot for operation and maintenance, contrasting with most public roads in the nation which qualify for 80% federal funding for construction and then use of state motorfuel revenues for operation and maintenance.

The solution is simple. The nation needs to add a **Penny for Parks** to its federal motorfuel tax rate for the next decade, a tax which would acknowledge the federal responsibility for accessing our nation's parks and other public lands. This funding would end the competition road operations and maintenance now pose to federal recreation and conservation programs in the annual appropriations process. Adopting this supplemental tax for a ten year period would allow continued and improved safe access by Americans to their public lands.

We believe that action on **Penny for Parks** in recognition of the National Park Service Centennial would enjoy broad support among the nation's recreation, tourism, conservation and transportation communities. We invite your leadership on this matter and commit to urging these communities to support your actions.

Sincerely,



Derrick A. Crandall
Counselor

How Good Old American Marketing Saved the National Parks



How Good Old American Marketing Saved the National Parks

Getting people to the parks was the mission a century ago. Now it's putting visitors to work in the name of science.



A line of cars winds through Yellowstone National Park in 1966. To Stephen Mather, first director of the National Park Service, cars were "the open sesame" to get people into the parks. PHOTOGRAPH BY ANDREW H. BROWN, NATIONAL GEOGRAPHIC

By Rachel Hartigan Shea, National Geographic

PUBLISHED MARCH 24, 2015

http://news.nationalgeographic.com/...llowstone-california-united-states/?rptregeta=reg_free_np&rptregcampaign=2015012_invitation_ro_all [3/27/2015 6:37:10 AM]

When President Ulysses S. Grant signed the bill creating Yellowstone in 1872, he established the first national park anywhere in the world. But 40 years later, the parks that exemplified “America’s best idea” were a mess.

“I am now trying to make an extensive study of the tremendous problems that have been coming before me,” admitted Stephen Mather, who was in charge of the parks as an assistant to the secretary of the Department of the Interior, at a meeting he called in March 1915 to address the parks’ troubles.

Although more than a dozen national parks had been designated by then, along with 30 national monuments, the areas functioned with little oversight. “They were orphans,” wrote Horace Albright, Mather’s assistant and key partner in the creation of the National Park Service. “They were split among three departments—War, Agriculture, and Interior. They were anybody’s business and therefore nobody’s business.”

Opportunists hungry for the parks’ natural resources took advantage. Poachers targeted the plentiful wildlife. Ranchers grazed sheep and cattle in mountain meadows. San Francisco boosters even convinced Congress to allow Yosemite’s Hetch Hetchy Valley to be flooded as a reservoir for the city’s residents.

Many of these problems weren’t new and national parks conferences had been held before, but the one in 1915, held on the Berkeley campus of the University of California, was different. “This meeting brought everybody together that had anything whatsoever to do with parks,” says Robert Sutton, chief historian of the National Park Service.

The national parks “were anybody’s business and therefore nobody’s business.”

Horace Albright, second director of the National Park Service

The solutions were different too. Mather, who had made his fortune marketing Borax soap to the masses, saw the American public as the parks’ savior.

This week, Berkeley—in partnership with the National Park Service and the National Geographic Society—will host a conference on the parks on the 100th anniversary of Mather’s meeting. Influential thinkers like Secretary of the Interior Sally Jewell and

biologist E. O. Wilson will speak, and the agenda will include how to enlist the masses in saving the parks. This time around, though, the existential threat is more environmental than political.

“True Playgrounds of the People”

Mather first came to Secretary of the Interior Franklin Lane’s attention when he sent a fiery letter complaining about the “miserable conditions” in the parks he had visited, including “rundown physical aspects ... and dirty unhealthy conditions of lodging, food, and sanitary facilities.”

Rather than taking offense, Lane recruited Mather to head up the Interior Department’s parks office. Albright, a young law student, became his assistant. They both pledged to stay one year.

The parks needed funding and a single agency to be in charge, but according to Albright, Mather felt he “had to get people to use the parks before he could get legislation and appropriations.”

Almost immediately, Mather hired a publicist—Robert Sterling Yard, the Sunday editor of the *New York Herald*—and paid him with his own money to start selling the parks to the American public. “The parks must be ... much better known than they are today,” said Mather, “if they are going to be the true playgrounds of the people that we want them to be.”

Within a month, Mather had summoned the park superintendents to the meeting in Berkeley. He also invited anyone else who had an interest in the parks, purposely including those whose interests were financial.

Railroads had staked their claims to the parks early on, eager to encourage Americans to “See America First” rather than spend vacation dollars in Europe. Now the automobile associations wanted in, lobbying for good roads to smooth the way for drivers. And all those tourists would need decent places to stay and eat.

One of the most influential ideas to come out of the meeting was from Mark Daniels, superintendent and landscape architect for the parks. Pointing out that already in

Yosemite Valley “there are times when there are five or six thousand people congregated at one time,” he proposed that each park should contain a village with modern amenities such as “a sanitary system, a water supply system, a telephone system, an electric light system, and a system of patrolling.”

“Mather thought the best way for parks to develop was to get people there,” says parks historian Sutton, “and he wanted to make it as easy as possible.”

The marketing worked. Between 1914 and 1915, the number of visitors to Yosemite alone more than doubled, from roughly 15,000 to 33,000.

The New National Park Service

It was a simple equation: More visitors equals more protection for the parks. Mather applied it later that year when he invited 15 influential men, including Gilbert H. Grosvenor, then editor of *National Geographic* magazine, to travel with him for two weeks through Sequoia National Park.

“Just think of the vast areas of our land that should be preserved for the future,” Mather told the saddlesore gentlemen at the end of the trip. “Unless we can protect the areas currently held with a separate government agency, we may lose them to selfish interests.”

Grosvenor and the others did their part, the editor having pledged during a hike with Mather and Albright that the National Geographic Society would “march in step.” He produced a special issue of *National Geographic* on the national parks in April 1916

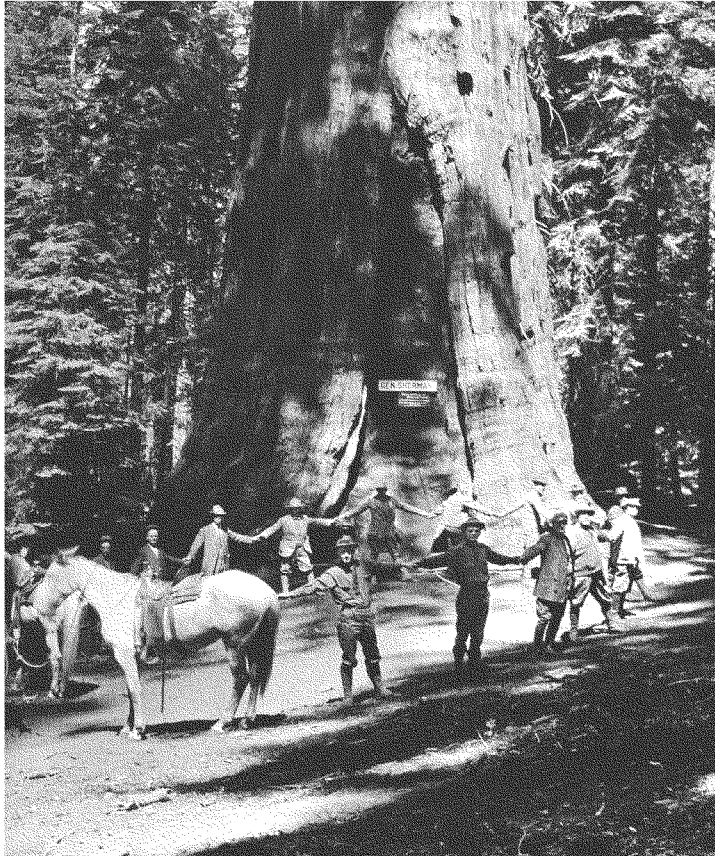
—“The Land of the Best”—which ended up on the desks of every congressman in the capital when it came time to vote on a bill to establish a National Park Service.

After many failed attempts over the years, this time the bill made it through Congress. President Woodrow Wilson signed the National Park Service Organic Act on August 25, 1916. Stephen Mather became the agency’s first director, with Albright as his deputy and later successor.

One hundred years later, the parks are no longer a mess, although they face problems that would daunt even Mather. Indeed, the National Park Service reported Monday that the

How Good Old American Marketing Saved the National Parks

cost of deferred maintenance to park infrastructure reached \$11.49 billion in fiscal year 2014.



Men and horses show the circumference of the General Sherman, a giant sequoia. The photo was taken by Gilbert H. Grosvenor, then *National Geographic* magazine's editor in chief, during a camping trip through the Sierras organized by Mather in 1915 to persuade influential men to help the parks.

PHOTOGRAPH BY GILBERT H. GROSVENOR, NATIONAL GEOGRAPHIC

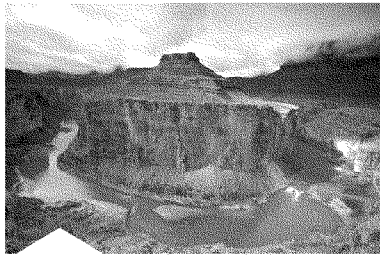
http://news.nationalgeographic.com/...llowstone-california-united-states/?npregcta=reg_free_np&npregcampaign=2015012_invitation_ro_all[3/27/2015 6:37:10 AM]

At this week's centennial conference, which begins on Wednesday, scientists rather than tourists will be front and center, and the threats they address will include invasive species, pollution, and climate change. Secretary Jewell will be there with Janet Napolitano, president of the University of California, to tie the national parks together with America's other "best idea"—public education.

If the attendees at this conference are successful, park visitors will be convinced, through activities like BioBlitzes, to become citizen scientists who help expand knowledge of these protected places and become stewards of them in their own right. People are still considered the national parks' best hope. In the coming century, however, they may be asked to do more than just take in the scenery.

Follow Rachel Hartigan Shea on Twitter.

You Might Also Like



Study Finds "Extreme" Climate Change in National Parks

Global warming threatens visitor experience and national treasures, scientists say.



U.S. Creates Largest Protected Area in the World

White House announces expansion of national monument around remote Pacific islands.

The CHAIRMAN. Thank you, Mr. Crandall.
Ms. Pierno, welcome.

**STATEMENT OF THERESA PIERNO, PRESIDENT & CEO,
NATIONAL PARKS CONSERVATION ASSOCIATION**

Ms. PIERNO. Thank you, Chairwoman, Ranking Member Cantwell and Committee members. It really is an honor to be here today representing the National Park Conservation Association.

I work for the National Parks Conservation Association which as many of you know was established in 1919. So we'll be celebrating our Centennial in just three short years after the National Park Service. And we are certainly a leading voice and a nonpartisan voice to protect and strengthen our nation's historic and natural and cultural heritage.

We appreciate the many opportunities that we've had to work with the Committee and certainly to work with the members, as well as our coalition partners. We just submitted an updated letter that is our most recent effort to support this very important legislation.

We do believe that this bill transcends political, partisan and ideological considerations and it really is a historic opportunity with the Centennial to really, truly celebrate the magnificence of our National Parks. By enacting the Centennial you'll help ensure that these places will endure with improved fiscal health for the next century.

We are certainly grateful for your efforts as well as Ranking Member Cantwell to protect the Parks with the maintenance backlog by working to ensure that both the energy and the Sportsmen's bill secure funding for high priority, deferred maintenance projects. We believe that is very critical.

The funding proposed in this bill will supplement critically needed revenue in the appropriations and transportation bills, and we're grateful that the transportation bill just passed and it includes an increase for park transportation infrastructure.

While we recognize that these bills are not within your jurisdiction we would ask this Committee to encourage and to emphasize your support to members of those relevant committees and jurisdiction.

We also recognize that ensuring national priorities receive the funding they need and deserve during these austere times is very difficult. The Centennial bill seeks to develop a more sustainable funding model for the National Parks and Congress can demonstrate that our parks are a priority for the next 100 years by supporting this grand and useful effort.

We recognize that identifying offsets, particularly these days, is very difficult but we respectively encourage you to do your best to identify any permanent funding that can support the important proposals in this bill. There are various versions of the Centennial legislation now circulating and I'd like to mention just a few things so that we have, we believe, that they all have in common and that are most important.

First is the National Park Centennial Challenge. Initially proposed by Interior Secretary Dirk Kempthorne during the Bush Administration, this proven public/private partnership will leverage

additional public investments for needed National Park projects and programs including the maintenance backlog projects. As the Director can attest, that effort ten years ago was very successful and in part by providing the tremendous incentive of matching Federal dollars. And thanks to the support of the appropriators the effort this past Fiscal Year has also proven successful. Formally establishing the program for a specific period of years with a stable stream of funding will allow the private philanthropic sector added time and the certainty that they need to raise the private matching funds.

In 2008 NPCA convened the Second Century Commission which was charged with developing the 21st century vision for the National Park System. Distinguished members included Justice Sandra Day O'Connor, former Alaska Governor Tony Knowles and Interior Secretary Sally Jewell. One of the Commission's recommendations was the creation of the National Parks Endowment. So we are very pleased to see that the endowment concept has been included in the Centennial proposal.

We recommend that to ensure the long term viability of an endowment that the percentage of withdrawn funds each year should be comparable to other endowments in the five-percent range.

We also support provisions to enhance education and volunteerism in the parks and encourage their inclusion in any final bill.

In closing, passage of a strong, bipartisan Centennial bill that can supplement critical investments in transportation bill and the Fiscal Year '16 Omnibus and future appropriations bills can ensure our national parks are prepared to serve the American people and the world for another 100 years and beyond.

Thank you again for this opportunity.

[The prepared statement of Ms. Pierno follows:]



Statement of Theresa Pierno,
President & CEO
National Parks Conservation Association
Before the Senate Committee on Energy and Natural Resources
On S. 2257, National Park Service Centennial Act
December 8, 2015

Chairwoman Murkowski, Ranking Member Cantwell and members of the committee, I am Theresa Pierno, President and Chief Executive Officer of the National Parks Conservation Association (NPCA). On behalf of our more than one million members and supporters across the country, I thank you for inviting me to testify today at this important hearing. Founded in 1919, NPCA is the leading, independent, private citizen voice in support of promoting, protecting and enhancing America's national parks for present and future generations.

First, we would like to thank you, Senators Murkowski and Cantwell, for your efforts to address the National Park Service's funding needs including your commitment to reauthorize the Land and Water Conservation Fund and create a new fund to address the National Park Service's deferred maintenance backlog. Both are important to provide long term protection and enhance visitor experiences in America's national parks. We can't thank you enough for stepping up to address these critically important issues.

We are looking forward to discussing the Administration's bill to enhance the National Park System just in time for the Centennial. NPCA supports S. 2257, The National Park Service Centennial Act, and would like this bill to be a critical component of the now bicameral and bipartisan effort to pass legislation that will address many funding needs facing the National Park Service. We sincerely hope Congress can agree to a set of policies to significantly address the fiscal needs of the parks, as well as help connect a new, diverse generation to our national treasures. Now is the time to reinvest in our national parks and support "America's best idea."

NPCA is particularly supportive of provisions that have the potential to provide significant additional resources for our national parks, including the Centennial Challenge Fund that leverages federal dollars in order to maximize non-federal, private sources of funds. In addition, we support the establishment of—and

investment in—an endowment to provide a path toward improved long-term fiscal health of our national parks.

NPCA is a member of the National Parks Second Century Action Coalition, a large and diverse coalition of conservation, tourism, business, and others, that support the concepts in this testimony. The coalition has weighed in with this committee numerous times to emphasize our strong support for this effort.

Centennial Opportunity

The 2016 Centennial of the National Park Service is an opportunity transcending partisan, regional and ideological differences for everyone in Congress to come together to do something very positive and historic for America that future generations can look back and be proud. Protecting our national investment requires a new dedication to the parks by Congress, and the Centennial is an historic opportunity for Congress to find common ground to provide needed resources for our national parks.

The concept of what Wallace Stegner appropriately called “America’s Best Idea” started with the establishment of the first national preserve for the enjoyment of the American people at Yosemite during the height of the Civil War. This was followed by the designation of Yellowstone, the world’s first national park, in 1872. In 1916, President Wilson signed the bill establishing the National Park Service. Now nearly 100 years later, our nation has invested in these beloved American treasures that are the envy of many throughout the world. Our National Park System includes unforgettable natural treasures and recreational resources like Yosemite, Denali, Olympic and the Great Smoky Mountains; hallowed ground like Gettysburg and Fort Sumter; important landmarks commemorating and interpreting our nation’s triumphs and tragedies, from the Manhattan Project to the Trail of Tears.

These are all places with almost universal public support recognizing them as nationally significant and worthy of protection for the current and future generations. National parks retell the stories of our ancestors while also providing a space for inspiration and renewal. They also create lifetime memories for families and friends.

In addition to their intrinsic benefits, national parks are also huge economic assets and job producers for local communities and for our national recreation and tourism economies. Areas within the National Park System are key contributors to a \$646 billion outdoor recreation economy, providing nearly \$30 billion in direct economic benefits, as well as nearly a quarter of a million jobs, annually. Our national parks are investments worth preserving and bolstering.

Polling that NPCA and National Park Hospitality commissioned with Hart Research Associates and Northstar Opinion Research in 2012 indicated that public attitudes about our national parks are extraordinarily supportive. Ninety-five

percent of voters—including 98% of Democrats, 91% of Republicans, and 93% of Independents—believe the protection of our national parks is an appropriate role for the federal government. Additionally, 92 percent of those polled also stated that park funding should not be cut. The polling experts indicated that national parks are unique in their bipartisan support and for bipartisan action.

NPCA and our partners are enthused about this bill that is so critical to supporting national parks because it helps address their considerable financial challenges.

Underinvestment

We would be remiss not to acknowledge that for decades now, Congress has largely underinvested in our national parks. In today's dollars, the funding to operate the National Park Service has decreased by 7% (\$178 million) in five years, leading to insufficient rangers and other staff to educate visitors and protect resources. In addition, the National Park Service's construction budget has declined by 62% (\$230 million) over the last decade in today's dollars. These reductions, as well as an insufficient investment in national park roads and other transportation infrastructure through the transportation bill, have significantly contributed to growing deferred maintenance backlog.

Although funding is insufficient, the investments we have made in our parks over a century are quite significant. We still see the success of investments made during the Great Depression through the Civilian Conservation Corps with many of the roads, bridges, trails and other facilities in our national parks and a legacy left that continues to benefit millions of visitors today. To commemorate the 50th anniversary of the National Park Service, the Eisenhower Administration launched *Mission 66*, a commitment of \$1 billion to improve visitors services through infrastructure projects including visitor centers, roads, utilities, and employee housing. The \$1 billion initiative that President Eisenhower launched is worth more than \$7 billion in today's dollars. Many of these 50-year old facilities are in need of repair and updating for today's visitors.

Reinvestment in our National Parks

The George W. Bush Administration recognized the importance of providing a robust core operating budget to preserve our national parks and their assets and in 2008 proposed an additional \$100 million per year in discretionary funding over ten years. That effort produced important and necessary investments for the following three years, but then stalled. Since then, all the gains made in those three years have largely disappeared, which drove the Obama Administration to propose a budget that would begin to retake that lost financial ground. The omnibus appropriations bill and transportation bill currently under consideration are immediate opportunities to bolster the funding parks so desperately need. The investments proposed in this bill are critical to supplementing appropriations and transportation funding, but should by no means be used to supplant current funding streams.

NPCA is particularly supportive of the funding provisions in S. 2257 that have the potential to provide significant additional resources for our national parks as well as provisions that clarify, strengthen and expand authorities to better connect a new, diverse generation to our national treasures. I would like to focus on the following provisions:

Centennial Challenge Fund

NPCA strongly supports the establishment of a Centennial Challenge Fund, an innovative program that offers matching federal dollars to encourage private individuals, foundations, businesses and others to donate funds to help restore and improve our national parks. The Bush Administration originally proposed this concept, in addition to the proposed discretionary investment above, to leverage private dollars with federal investments over 10 years. With the original announcement of the program, the Department of the Interior received pledges exceeding \$300 million from non-federal parties, demonstrating the significant public interest in, and potential for, such a partnership program. The initial investment in the program, which stalled with the change in administration, yielded approximately \$90 million—including nearly \$40 million in federal commitments that leveraged nearly \$50 million from nonfederal sources in fiscal years 2008 and 2010. This investment—though far short of the proposed \$2 billion partnership—supported centennial projects that educated and engaged youth and restored park trails and historic buildings.

As a start in FY15, Congress provided a \$10 million reinvestment in the Centennial Challenge in discretionary funding which was matched by \$16 million in private contributions. Over 100 projects were selected throughout the country for maintenance needs and to engage youth.

Examples of projects funded by the Challenge since FY 2008 include:

1. Grand Teton National Park: Funding helped repair a historic retaining wall, trail segments and two heavily used bridges in the Hidden Falls and Inspiration Point areas on the Jenny Lake Trail. Total cost: \$206,000; partner match: 50%.
2. Yosemite National Park: Funding will improve hydrology related to roads and trails to benefit the giant sequoias; modify the Mariposa Grove Road near the south entrance to enhance safety and traffic flow; add new accessible parking spaces; provide two miles of new pedestrian trail; and restore nearly four acres of giant sequoias and wetland habitats. Total cost: \$5.1 million; partner match: 80%.
3. Yellowstone National Park: Funding helped restore and enhance the original and only year-round entrance to the world's first national park by improving walkways, reducing traffic congestion and updating signs. Total cost: \$2 million; partner match: 75%.
4. Boston National Historical Park: Funding completed the critically-needed

restoration of wooden cupola sections of the Old State House, replaced outdated heating and cooling systems, and provided handicap accessibility to the building. Total cost: \$1.4 million; partner match: 50%.

5. Cuyahoga Valley National Park: Funding built the park's first off-road, single-track bicycle and hike trail. This trail, called the East Rim Trail, is part of a network of major regional bicycle and hiking trails for the public to enjoy. Total cost: 382,000; partner match: 52%

The proposal being considered today would establish this program over three years. Providing a dedicated funding stream would allow partners additional time and certainty to raise the matching funds. We support using the proposed increase in the senior pass from a \$10 lifetime pass to an \$80 lifetime pass to seed the Centennial Challenge Fund. This is in line with the current price of the annual America the Beautiful Pass, but the senior pass would remain a lifetime pass.

In addition to this funding source, we encourage the committee to continue to investigate additional revenue sources to more robustly invest in the Centennial Challenge Fund over the three years or extend the life of the Centennial Challenge program over ten years at a smaller amount. We recognize that these are austere times and that identifying offsets can be very difficult, but establishing dedicated funding would make a final centennial bill considerably more robust and effective. Based on the broad support among American voters for park funding that we cited earlier in this testimony, NPCA believes the public would enthusiastically support such funding.

National Park Foundation Endowment

NPCA also supports an endowment to provide long term financial support for the national parks by investing monetary gifts and other contributions to be used in the future for projects and activities that support the national parks. In 2008, NPCA convened an independent, blue ribbon commission of park experts to develop a 21st century vision for the National Park System. One of the commission's recommendations was to create a national parks endowment.

We recommend that to ensure the long-term viability of an endowment, the percentage of withdrawn funds to be used in a given year should be comparable to other endowments. The corpus of the endowment needs time to build, so the amount removed on a yearly basis should be minimal. Therefore, the endowment is not a viable solution to addressing the backlog in the near term. However, an endowment could be particularly well-suited to address other needs down the road, such as investments in science, education and interpretation, and resource protection.

Second Century Infrastructure Fund

NPCA also supports the proposed Second Century Infrastructure Fund, a critically needed mandatory investment of \$300 million a year for three years to directly address the most critical non-transportation-related projects in the \$11.5 billion deferred maintenance backlog.

As this committee has recognized, an infrastructure fund is needed to more significantly address the backlog. In this bill, we wholeheartedly support the proposal to provide it with certainty through a mandatory funding stream.

We are all aware that approximately \$2 billion is needed to address the critical non-transportation projects in the National Park System. These are projects in desperate need of repair, as they impose a risk to public safety and health and are essential for resource protection and preservation. Examples are roof, water treatment infrastructure, and bridge repair.

Education and Interpretation

NPCA supports efforts to recognize the importance of national parks as places of learning by enhancing interpretation and education programs. The national parks serve as some of the best places for active learning from being engrossed in lessons about our nation's history as well as about our natural landscapes and ecosystems within.

NPCA also supports efforts to provide additional opportunities for volunteers in our nation's treasures. The National Park Service depend on volunteers to help protect and restore our national parks. Some financial resources are needed to educate and manage this large and growing number of volunteers.

Public Land Corps Amendments

NPCA also supports amendments to The Public Lands Corps Act of 1993 to increase the eligibility of youth, including veterans, to participate in the Public Lands Corp and extend non-competitive hiring status to former Public Land Corps members to two years. The National Park Service has seen significant savings from the use of conservation corps for various projects. Given the ability of such strategies to stretch scarce dollars, this will allow the national parks to foster additional support and engage additional young Americans to be the next generation of stewards to our national lands.

Conclusion

Today, the National Park Service budget is 1/15th of one percent of the federal budget. In 1981, it was 1/8th of one percent. Congress and the Administration should be investing in things that produce jobs and help our economy, and enhance our quality of life. National parks are such investments.

The Centennial of our National Park Service provides an historic opportunity for members of Congress to work together to provide leadership to protect the places that truly constitute the best that America has to offer. We appreciate the dedicated efforts of Senators Murkowski, Cantwell, Portman and other committee members and their staff to finding bipartisan solutions to address the fiscal needs of our national parks.

Passage of a bipartisan centennial bill coupled with additional investments through appropriations and transportation bills, will ensure our parks are better prepared to serve another 100 years and beyond. We look forward to working with members of the committee and its House counterpart to ensure final passage of a bipartisan National Park Service Centennial Bill. Thank you for the opportunity to testify.

The CHAIRMAN. Thank you, Ms. Pierno.

Thank you all for your testimony this morning.

I would like to start my questions off by focusing on some of the funding proposals and the alternatives that are contained within the proposal.

Director Jarvis, as I look at this it appears that there are four new types of funds in your proposal plus the \$900 million for the NPS construction account. I guess I am looking at them and see that the funds, essentially, do the same thing. They are just funded in slightly different ways. So the question to you to start off is why do we need to have so many funds? Should we be focusing in one area more directly? I would like to get to the issue of, for instance, the lodging fees and discussion about that but also the endowment. So again, you have four funds all taking you to the same place. Why do you need that?

Mr. JARVIS. Thank you, Chairwoman, that's a great question. It is a little complicated the way it's been laid out.

I think when you look at the needs of the National Park Service, particularly an infrastructure standpoint, there are assets which, I believe, are inherently a Federal responsibility and I could probably never raise money for a waste water treatment plant or a water line, a potable water line, like at the Grand Canyon. I cannot go out and raise philanthropic dollars to fix that.

Then there are projects like, you know, the repair of the Iwo Jima Memorial where David Rubenstein stepped up and gave us \$5 million to fix that.

So you separate those out and think about there's a set of projects with the Centennial Challenge where the skin in the game, as Will indicates, we could put up money from the Federal side and get a match or even better than one to one match to fix projects that are of high profile.

Then there are a larger subset of projects that we are requesting the \$300 million for multiple years that are really just, sort of, basic responsibilities of infrastructure needs of the National Park Service which we have an aging infrastructure.

And then there's, you know, the promotion of the Find Your Park campaign is impacting all of the land management agencies. So Fish and Wildlife Service, U.S. Forest Service and BLM as well are all seeing increases in the recreational use on those lands as well. So we felt that the campaign really is a big tent for everybody. So there's an opportunity there.

And then the fourth category is really about new revenue sources with the increase in the Senior Pass and then a lodging tax gives us an opportunity to utilize those funds very effectively in, sort of, new ways in leveraging those.

So you're really looking at four different categories of funds that can be applied to these issues.

The CHAIRMAN. Let me ask about the lodging fees.

Looking at how it is structured, it seems to function more like a Federal tax. You have a situation now where in many of our parks our overnight visitors are already paying local and state taxes as well as perhaps other fees on their lodging. It is my understanding that visitors pay an 11 percent tax on lodging in Yosemite. If you are looking at adding another five percent in certain

areas, I think you are going to have folks look at that and say that is a little bit more than they are willing to do.

I will direct my next question both to you, Director Jarvis, as well as Ms. Pierno. What percentage of parks have local taxes and fees that are added on to the cost of lodging at overnight accommodations within the parks? And is this going to be something that is going to have an impact on individual's desires to come and utilize our parks or is it going to be just what people accept as the price of using our parks?

Director, I will start with you, and then Ms. Pierno. I would also welcome Mr. Shafroth or Mr. Crandall to respond. I think, Mr. Shafroth, you suggested that the lodging fees were reasonable but I would like to hear comments from all of you on it.

Mr. JARVIS. I'll keep my response short.

We've been reaching out, sort of a data call, to all of our parks. We don't have a centralized data base on this on who is collecting additional taxes on top of it, and I honestly don't have the hard data. I'll follow up with you on which of the individual hotels are collecting what would be considered a tourism tax.

Mr. JARVIS. It's common practice across the country for a tourism tax to be layered on top of a hotel. If you go to New York City, it's \$25 or whatever on top of existing taxes. And that money is usually pooled for, specifically for things like marketing. That's our suggestion here.

The bill says up to five percent, and I think we'd have to think about, you know, how to apply that percentage. It would not be a straight across the board. We would look at each individual hotel/ lodging unit to determine how appropriate that would be applied. If it's already being collected obviously we wouldn't be doing that as well.

So that's the way we would apply it.

The CHAIRMAN. Okay.

Ms. Pierno.

Ms. PIERNO. So those proposes of five percent lodging and camping fee be charged for each person which actually would bring in about or actually less than \$12.5 million annually. So it's a relatively small amount. And there are other recommendations as well.

And I think it's important for the Committee to look at all of these fee opportunities. There have been suggestions about increasing and creating a dollar Centennial fee at the gate because, you know, as you know many of the parks do not even charge an entrance fee so then there's that issue as well.

And it's very difficult on the camping fee side to actually be able to implement this given just the structure and the camping facilities.

But I think it is important to really analyze the fee structures and to look at where it makes sense and where there's a possibility to increase it because I think at this point, given the severe funding needs for the National Parks, we need to look at all of these different areas.

The CHAIRMAN. Okay.

Quick comments, Mr. Shafroth?

Mr. SHAFROTH. Yes, Madam Chair.

I would agree with Director Jarvis on this. I think we need to, first of all, in order to have a better understanding of exactly where the existing fees are already being applied. We don't want to do something that's going to drive down demand for the lodging and other facilities, obviously. And if they're already being applied, as Jon said, that we would not want to impose an additional fee on top of that.

My sense is that in some places though the demand is fairly elastic and there may be an opportunity to provide some measure of an increase.

And I guess the last thing I would say is that I agree with Theresa as well that this isn't—there isn't a silver bullet here. We need to look at a broad diversity of options in order to, kind of, raise sufficient funding to meet the opportunities that the Centennial Challenge suggests.

Thank you.

The CHAIRMAN. Thank you.

Mr. CRANDALL. Madam Chair, we are the people who collect the fees and we can tell you that an overwhelming majority of the hotels/lodges that are in National Parks are subject to various tourism taxes. So I think we're going to find that this is a duplicative tax.

Our worry is that it goes against the basic philosophy of trying to invite personal support for National Parks. And rather than find a situation, I'm flying to Denver. I'm going to be renting a car. I'm paying \$10 a day for the car, but by the time I pay for all of the taxes I'll be paying \$32 a day for that car.

We don't want that to happen. We already have, I can tell you with the National Park Concessions, we have utility pass throughs. We have state and local sales taxes and we have hotel tourism taxes on most of these. This is not a deal breaker but I would suggest that it's going after a small percentage of park users and that number of overnight stays is already down 17 percent. I'm not sure that's what we want to do is focus on a declining market.

The CHAIRMAN. Thank you, I appreciate that.

Senator Cantwell.

Senator CANTWELL. Thank you, Madam Chair.

Again, thank you to the witnesses today. I get excited just talking about this subject because it reminds me of my own personal experiences and how treasured the Northwest Parks are and how iconic they are to, not just our state, but the nation. Anything we can do to enhance them, I think, is important.

I think we could have this discussion for hours and hours and hours today with many of my colleagues on this Committee because they, too, have great outdoor environments in their state or they wouldn't be sitting here and they, too, want the public to utilize them to the greatest extent possible.

I guess I wanted to start with you, Secretary Jarvis. I definitely have a lot of questions similar to what Senator Murkowski was asking, particularly as it relates to concessions. But I'm trying to start at just a higher level here because I think one of the things that I see in this recent effort, if I am looking at charts and numbers correctly, is that in 2014 we really are seeing a record number of visitors.

[The information referred to follows:]

Recreation Fees (\$ Millions)	
FY 2006	136
FY 2007	166
FY 2008	173
FY 2009	171
FY 2010	169
FY 2011	172
FY 2012	179
FY 2013	178
FY 2014	185
FY 2015	230
TOTAL	1,759

That is great news.

So this whole effort of talking more about the parks and using these tools and getting out there and using the Centennial as a opportunity to really advertise our parks. It has been a great asset. It looks to me that we've had somewhere between 10 to 20 more million users of our parks.

If you look at your past analysis and studies, even a day visitor generates somewhere between \$70 and \$80 depending on whether they are in state local user or traveling outside the area. Someone who is an overnight visitor, either inside or outside the park, generates somewhere between \$300 and \$600 of economic impacts.

So my fundamental question is, when we look at the vision of the parks for the next whatever timeframe, and clearly we want the next Centennial to be robust, what are we doing to really set a vision about what goals we have?

My key focus is how do we get more, not just utilization, but how do we do a better job using the tools of an information age to advertise the ability of our parks and to say that, if these are the numbers, we are going to make a lot of impact that we can roll back into the improvements we see just by increasing the awareness and attention of the parks. So if we can go from 2013 to where we are in 2014, that is a huge, huge increase and something that says to me that we ought to be mindful about what our vision is.

So, Director Jarvis, if you have some comments about park utilization and visitorship? Should that be part of our goals or should we at least have a target that we are interested in? And how does that affect what we want to do as far as revenue?

Mr. JARVIS. Thank you, Senator.

We are on a record pace. Let me put 292 million visitors in perspective, what that is. That's more than all of Disney, all of national football, all of national basketball, all of national baseball, all of hockey and soccer combined. And we operate that with a budget that's approximately the same as the city of Austin, Texas.

Senator CANTWELL. I would say the mental well-being of the after effect of the parks versus a game, particularly if we are not successful. [Laughter.]

Is much higher.

Mr. JARVIS. So we are on a record pace as a result of the campaign. There are a lot of factors that affect visitation. The economic benefits, unlike so many other things that we do in this nation, these economic benefits are local to the gateway communities as people buy supplies, stay in the hotels, buy gas and other. So it's a distributed economic benefit.

In many cases communities live and die on that visitation to these parks and we work in partnership with the private sector communities as well.

I think the future of the National Park system is going to be dependent on, somewhat of a new financial model, to be very blunt about it. Fees are going to be a part of that.

As visitation increases we do get new fee monies, and we are proposing some new revenue sources as a part of our fee structure. It's going to be based on philanthropy.

And there, certainly, we can demonstrate with leverage funds like the Centennial Fund, to leverage philanthropic support. It's

going to be based on corporate sponsorships. And we've certainly gone down that path, I think, very smartly with the National Park Foundation where we have premier sponsors that are willing to put up their support directly for projects as well as promotion and marketing of the National Parks.

We're also promoting international tourism which is brand new dollars to the nation, working with Brand USA. And we'll be launching the new IMAX promotional film, *Around the World*, in February 2016 as a part of the Centennial as well.

But there's also a requirement for appropriations to cover the basics of operation and facilities. And I think this combination is really going to be the key to responding to the growth in visitation in our second century.

Senator CANTWELL. Did anybody else want to comment on that?

Mr. SHAFROTH. Sure, Senator.

Senator CANTWELL. Particularly on increasing visitors as part of a goal or part of a narrative of the opportunity juxtaposed to other sources of funding?

Mr. SHAFROTH. Yes, Senator Cantwell.

Will Shafroth.

We are working closely with the Park Service on something called the Find Your Park campaign which is an effort to engage the next generation of visitors to the National Parks. So it's not just how but which sector.

And we discovered, through a lot of research, that the millennial generation is not terribly engaged in our National Parks, the 20 to 35 year olds. So we have developed a national campaign, public awareness campaign to go after, in a way, those people in our society so that as they come of age they come to appreciate and enjoy the National Parks just as, frankly, people in our demographic have.

And so, we have had, this has been ongoing now for about a year. We have raised \$45 million in corporate to support the Find Your Park campaign, and we have three and a half billion media impressions and have engaged celebrities to speak directly to the millennials and Latinos, African Americans and other communities because without their engagement of sport we will not have the increased interest and growth in visitorship and interest in the National Parks.

Senator CANTWELL. Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator Cantwell.

Senator Portman, thank you for your leadership on not only National Parks generally and your involvement but what you are trying to do to build out the next 100 years.

Senator PORTMAN. Thank you, Madam Chair. I appreciate your strong support of our efforts and this is an exciting opportunity for all of us. It only comes around once every hundred years, so we have to take advantage of it, right?

It is a treasure, and I think everybody has agreed with that this morning. It is also, I think as Senator Cantwell has said, a brand and a darn good one. I am looking forward to working with Senator Cantwell on legislation that we can agree to on a bipartisan, bicameral basis to not just to celebrate 100 years but actually help

the Park Service to be able to set out on its next 100 years in better shape.

So I am excited about this. I do think we have enormous challenges on the fiscal side, and I think the legislation that the Administration set up is not going to make any progress because it is just \$1.5 billion. It is hardly paid for.

I think everything we talked about here today, some tough things, some things Mr. Crandall said he is not even in support of that we are talking about is well, probably \$40, \$50 million out of the \$1.5 billion. So we have a big challenge. We have to acknowledge that.

The good news is visitation is up 4.5 percent in 2015 I am told. Is that about right? These numbers are amazing, 292 million visitors and what that compares to. I am glad you talked about that, Director Jarvis.

But let's face it, appropriations have gone up since 2006 to 2015 from 2.25 to 2.61. Adjusted to inflation that is a 0.2 percent decline. During that time 18 new park units have been established by Congress and by the Administration through Executive action.

We keep expanding what we are asking you to do, Director Jarvis, and yet, not providing the funding. I think that is one of the things we have to do as we look forward.

I was on the Commission, as you know, to look at the Centennial, and that is one thing that I pushed a lot was we need to figure out a way to steward what we have more efficiently. If we keep adding, keep telling them to do more without providing more funding, then all of the units end up having these maintenance backlog problems and decline. So we have got a big challenge here.

I am most excited, as you know, about the Centennial Challenge and generally the idea of matching. I am excited about the endowment idea. I am excited about using that brand that Senator Cantwell talked about to get more private sector involvement, more visitors. I think this is where we ought to be really focused, and I do think there is an opportunity.

I was on B, Director, as you know, when we proposed the Centennial Challenge. People were talking about it, and the panel was saying this was great. We actually never enacted most of it, as you know. So there is an opportunity now to go back and look ten years ago at what were we talking about and how can we put some of these things in place.

So I guess my questions would focus on that. Mr. Shafroth, you talked about the endowment idea, if you could talk a little about your proposal there? I think the Administration's proposal would allow the National Park Service to expend up to 50 percent of the funds received in a given year. What is your opinion on the spend rate? How does it compare to other comparable private sector endowments?

Mr. SHAFROTH. Thank you, Senator Portman.

We actually think that this ought to be more in line with traditional university endowments and foundation endowments which foundation endowments only have a minimum spend of five percent per year. And that's probably more in line with what we think would be appropriate.

I don't know that we ought to put a floor or a ceiling on it exactly. But I think that five percent is about the right number given, you know, over time you might be able to earn five to eight percent per year and to spend five percent of that would maintain that endowment for permanent spending. So that would be our suggestion on that.

Senator PORTMAN. How much money can you get from the private sector?

I mean you guys raise private funds. We have also got the friends groups out there who do terrific work including in my home State of Ohio. We have got a lot of, as Director Jarvis said, some sort of, one off philanthropic efforts that are really impressive. You mentioned Iwo Jima.

But how much do you expect the private sector will contribute to this endowment if it was able to get up and going?

Mr. SHAFROTH. It's a good question, Senator Portman.

Our fundraising has gone up fairly dramatically in the last couple years averaging in the 20's for many years. In 2014 we were up to more than \$45 million, this last year about \$80 million. We expect to exceed \$100 million in the current Fiscal Year we're in.

The friends groups around the country are raising—

Senator PORTMAN. So you are telling me that you all are seeing an increase over the last—

Mr. SHAFROTH. Absolutely, we're seeing a dramatic increase in interest by individuals, families, foundations, corporations. It's unprecedented the level of interest in the parks right now, and I think largely capitalizing on the excitement around the Centennial and this broader, Find Your Park campaign that we have.

Senator PORTMAN. I think you also, thanks to Director Jarvis and all the partners here, you kind of, reconstituted what the Foundation does and how it is structured. I think that has made a difference too.

Mr. SHAFROTH. Exactly.

Senator PORTMAN. And we should acknowledge that.

Mr. SHAFROTH. Exactly.

Senator PORTMAN. So I think there is great potential.

Let me just end with one thing, if I could, and that is at our great park which is one of the top ten in the country in visitation, Cuyahoga Valley National Park. It is a suburban park in a sense between Akron and Cleveland.

I was just there again this fall. It is a beautiful place. We have had 3,500 kids a week in these programs that are educational programs for the park. It has become a part of the core curriculum of most of the schools in Northeast Ohio. It has helped us reach out to underserved communities. It has helped us to do a lot innovative programs in the Cleveland area. A lot of it has been supported by the private sector so the philanthropic dollars have gone into this, and I think that is a great opportunity.

And then second is the volunteers. I mean, you think about it, it is about dollars, it is also about people. The Cuyahoga Valley National Park has grown its volunteer program now to 5,900 volunteers, 200,000 hours annually and this includes some corporations who contribute time and effort, but it is just a lot of families and kids. So I think these are the kinds of things that have enormous

potential, and I have seen it work in my own State of Ohio in the Cuyahoga Valley National Park.

Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator Portman.

Senator Heinrich.

Senator HEINRICH. Thank you, Madam Chair.

Director Jarvis, I want to start by asking you to kind of put the park backlog that people have been talking about into context, particularly with an eye toward the lion's share of those needs that are really Federal road and transportation costs that happen to cited in our National Parks. So can you step back a little bit and just give us the overall park backlog that people cite? How much of that is actually road and transportation costs?

Mr. JARVIS. Thank you, Senator, for that question.

So the total maintenance backlog currently stands at a little over \$11 billion. About half of that are roads and bridges the, sort of, transportation infrastructure of the National Parks. And these are Federal roads that go into the Sun Highway, you know, the Loop Road in Yellowstone, the roads in Mt. Rainier. These are Federal roads and the Transportation bill which we hope will be signed very soon will provide additional funds.

Senator HEINRICH. That was actually my follow up was like how much of a dent are we going to be able to put in that roads backlog with the current Transportation bill?

Mr. JARVIS. Well the good news is that it does give us continuity of funding for five years. It is not enough, but it's pretty significant. It will make a significant dent in our transportation backlog.

We have some what we call mega projects like Memorial Bridge here in Washington, DC which if you commute across you know you've lost two lanes. I commute across it every day, and it backs traffic up.

We're doing a, sort of, interim fix. That bridge is probably going to cost \$200 million. So you know, our full appropriation for the Park Service is about \$250 million in the bill, so you know, that would sweep at least one full year of the entire project.

The good news is the bill, as written, will allow us to compete for mega projects but we'd be competing with the states so there's not a set asides specifically for the Federal side of the family. But I think some of these projects will compete well.

Senator HEINRICH. Okay.

Thank you for touching on that because I think it is a really important context. And certainly we have enormous backlog issues that are not transportation related. But when half of your backlog is related directly to our inability to adequately fund transportation, I think people need to understand that.

We have some big park's backlog issues in New Mexico. Chaco, Carlsbad Caverns is a very developed park because of the elevator and other unique sort of things that occur when you have a large cavern system like that that are not inexpensive to maintain, Bandalier with the flooding, but a big chunk of it, obviously is transportation.

Mr. Shafroth, I wanted to ask you, S. 2257 calls for the establishment of an endowment to be managed by the National Park Foundation. Can you just tell me why is it important to legislatively es-

establish an endowment and what specific kinds of programs would you expect it to support that are not being met today?

Mr. SHAFROTH. The importance, Senator Heinrich, for the Congress to establish an endowment officially gives the Congress an ability to then deposit funds into those, into that endowment. The Foundation can already establish an endowment for monies it raised privately but the purpose of this one would be so that you all could choose at some point to actually appropriate monies into that endowment.

Then, the reasons, the purposes for which those dollars would be used would include things related to improvements to the parks. It could be expanding or building trails or renovating buildings or something we're doing right now is helping to make the parks more sustainable through establishment of electric vehicle charging stations, for instance, or it could be improving visitor services, doing additional science in the parks, improving the digital nature of an access of those parks. So it's a broad diversity of both programs and investments in the parks themselves.

Senator HEINRICH. Do you think, given the very successful matches in the last few years from the private sector, that there is enough interest with the Centennial to potentially match the \$100 million investment being proposed here for the course of those three years?

Mr. SHAFROTH. Senator Heinrich, absolutely. The combination of the National Park Foundation dollars and the funds already raised by friends groups exceeds \$300 million a year at present.

Senator HEINRICH. That is incredible.

Mr. SHAFROTH. So the degree to which the Congress appropriates additional monies, my sense is that the philanthropic community for parks could raise a lot more money.

Senator HEINRICH. Thank you very much.

Mr. SHAFROTH. Sure.

The CHAIRMAN. Thank you, Senator Heinrich.

Senator CAPITO.

Senator CAPITO. Thank you, Madam Chair, and thank you all for your testimony and for your dedication to a national treasure, our national parks.

Director Jarvis, I want to talk about one national park that is of great significance to Senator Manchin and I and the nation and that is Harper's Ferry. It is obviously one of the most historically significant sites in the country, but it is right in the town. Many of you in this room have probably, I hope, visited Harper's Ferry.

I am sure you are aware that just recently, on July 23rd, there was a fire in the town where some significant buildings, a lot of destruction occurred. I would just like to personally thank you on behalf of the Park Service for the hard work that they did to try to get the Town of Harper's Ferry back on their feet.

I think it is interesting to note that Harper's Ferry has visitors in the, I think, 260,000 and visitorship or visitor's visits are up for this coming year. But the town of Harper's Ferry only has 300 people, so there is a lot of strain between the town and the Park in terms of providing services.

My question is not so much Harper's Ferry, but is that a frequent model throughout the Park System or is that an unusual

kind of situation where the town and the park are basically conjoined?

Mr. JARVIS. It's a relatively rare model, Senator. I mean there are other places, Lowell, Massachusetts being an example of where the park is totally integrated with the city. Patterson, one of our newest ones, in New Jersey is another one that's totally integrated with the city. I think the relationship there at Harper's Ferry between the Park and the city is very symbiotic.

Senator CAPITO. Good, yes.

Mr. JARVIS. I think they really support each other.

Senator CAPITO. Right.

Mr. JARVIS. And, you know, it is a challenge when you get this sort of influx, but you know, it's a good challenge to have.

Senator CAPITO. Right.

Mr. JARVIS. For, as you well know, certainly in West Virginia and other places there are cities that are struggling to, you know, maintain even a basic in terms of their economy. And I think Harper's Ferry has the advantage that we are there in partnership with them.

Senator CAPITO. Right, thank you.

We are glad you are there. As I said, it is a crown jewel entrance into our state and we are very proud of the work that has done there.

Let me ask another question. I noticed in the bill that we are considering you are asking for mandatory funding in several of these titles. Do you have a mandatory funding stream right now at all?

Mr. JARVIS. No, we do not.

Senator CAPITO. You do not.

And you know, I am sure, that mandatory funding in and of itself presents a bit of a challenge, I think. I am on the Appropriations Committee as well so I guess that is a bold ask and I will congratulate you for the bold ask on that one.

Mr. JARVIS. Well the mandatory titles are consistent with the Fiscal '16 Presidential request. So they, sort of, authorized the request as requested from the President for the Park Service's Centennial.

Senator CAPITO. Right.

A question on the philanthropy. I am kind of wondering between an endowment and Centennial Challenge, I know there are friends of all the parks, private fundraising. Do you have any concern that you could be fragmenting a bit with the donor or are you hoping to increase the number of donors by offering other opportunities? How do you see that?

I guess I am worried about dilution in one segment because we are going to give to the Centennial Challenge, maybe we will not give to the Friends of Harper's Ferry or the—have you thought about that in terms of any kind of conflicts?

Mr. SHAFROTH. Senator Capito, thank you for the question.

I was actually worried about that. But it's not been borne out; it's actually been the opposite. And in fact, in the corporate sector feeling a whole lot of momentum of other corporate entities wanting to be a part of what's going on.

In terms of the individual and family fundraising we're doing we're just seeing, we're seeing an uptake across the board, across the country in the friends groups as well as with the Foundation.

And we're just beginning to build out our plan giving program right now. It's something that has been not very active, but that's a place where we think the endowment funds would actually land in most cases.

And so I feel like, you know, as I said earlier the baby boomer generation is getting to the point where they can start, they're going to start giving away a lot more of their money. We are very well positioned, at this point, to receive some of that money. And I think we'll be even more, even better positioned if we can have some support from the Federal Government to be a match for that.

Senator CAPITO. Just another quick question. Do you find in your fundraising that the givers are more apt to give to a National Park sort of fundraising as opposed to maybe West Virginians might want to give to Harper's Ferry or some other, you know, is it a regional give, is it a national give and how do you make that distinction?

Mr. SHAFROTH. It's actually a both/and. I think some of the things that we're raising money for, like the Find Your Park campaign, is a national campaign around public awareness. And that is coming to us for distribution nationwide. I would say, probably, three quarters of the money that is raised philanthropically for the National Parks is done by local friends groups.

Senator CAPITO. Yes, okay, thank you.

The CHAIRMAN. Thank you, Senator Capito.

I was just reminded that when we passed the Helium Stewardship bill some time ago there was mandatory funding for the first time, \$50 million in that bill.

Senator Warren.

Senator WARREN. Thank you, Madam Chair.

Next year the National Park Service will be celebrating its Centennial, and I am glad that we are discussing how we can support our National Parks for the next 100 years.

I think a lot of people think of the National Parks as the big parks out West and they are great parks, but we have truly exceptional parks in Massachusetts as well.

My husband, Bruce, and I have hiked Cape Cod National Seashore and parts of the Appalachian Trail. We have toured Lowell's textile mills, Salem's wharfs, New Bedford's whaling museum. We have taken our children for multiple trips along Boston's Freedom Trail. We have gone to Concord and Lexington where the "shot heard around the world" was fired. We have walked just a few blocks from our house to visit the Longfellow House and General Washington's Headquarters. So I know how lucky we are to live so close to so many national treasures.

But as we talk about why we need long-term sustainable solutions to fund our Park System, I think it is important also to talk about what it would mean for our trails, our seashores, our historic parks, that do not always get center stage in these discussions.

So Director Jarvis, can I start with you? Your agency has proposed a number of options for providing consistent supplemental funding for our parks' needs for the coming decades. What would

this mean for parks in states like Massachusetts that are a critical part of the National Park System but are not the big, expensive National Parks out West, expensive, expansive?

Mr. JARVIS. Thank you, Senator.

The parks, you know, one of the key elements of the Find Your Park campaign is being relevant to all Americans. And as you all well know, we are in an increasingly urban society. We're in an increasingly diverse society. And so, in my view, the parks like Lowell, like Boston Harbor Islands, Cape Cod, you know, Minuteman, these are the core to relevancy. They tell the American story. They, through place, through the actual places where, you know, the fires of democracy burned the hottest.

And that is how you connect with the next generation. That's one reason we do naturalization ceremonies on the deck of the Constitution and Gettysburg Battlefield. And so I actually believe that these parks that celebrate America's history are some of our greatest investments. They're also one of the greatest places that we can find partnerships to work as well.

As you probably know for Boston and Harbor Islands, the National Park Service owns one lighthouse and that's it in terms of actual ownership and direct responsibilities and yet we partner with the city and the commonwealth to bring visitors out and have that experience. So I think these, the parks of the East and the Midwest, will compete very, very well for any funding that we get.

Senator WARREN. Good.

Ms. Pierno, would you like to add anything to that, briefly?

Ms. PIERNO. Yes, thank you, Senator.

In fact an example in your own district in Cape Cod National Seashore is the Captain Penniman House that was recently restored with Centennial Challenge funds. And that's an example where a very small unit was able to receive \$115,000 and a match, Federal Government, and therefore able to do the work.

What we've seen with the Centennial Challenge and the history of that has been that the small parks have fared very well. And certainly the historic parks are very popular with funders. And so we believe that by really building that up and this bill certainly begins to do that we're going to be more successful in addressing the historic in certainly some of the smaller units.

Senator WARREN. Well I am very, very glad to hear this because I do think it is a part of our National Park System that is just critically important.

If I can I just want to change the subject right here at the end for a minute because the National Park Service's Centennial is not the only important anniversary coming up. In just a couple of years we will be commemorating the 400th anniversary of the Pilgrims Landing in Massachusetts, and we are already anticipating millions of visitors. Plymouth Rock is on the National Register of Historic Places and celebrations will be taking place all along Cape Cod National Seashore.

Director Jarvis, can I get your commitment to work with me to support Plymouth and other Massachusetts communities to make sure that we are ready for this historic occasion?

Mr. JARVIS. Absolutely, Senator.

We love the——

Senator WARREN. That is the best possible answer, yes.

[Laughter.]

Senator WARREN. But you can add to it.

[Laughter.]

Senator WARREN. We are going to be there ready to do it?

Mr. JARVIS. Absolutely.

Senator WARREN. Good.

Mr. JARVIS. I mean we cycle through these major celebrations of the American story. You know, we just came out of the sesquicentennial of the Civil War. We had the War of 1812. The landing at Plymouth is going to be an incredible opportunity to really tell the American experience.

Senator WARREN. Right. We have not had too many 400 year anniversaries so far yet, so this is going to be a great one.

Mr. JARVIS. St. Augustine.

Senator WARREN. I look forward to working with you to make this anniversary a special success, and I know people throughout Massachusetts are really excited about this upcoming opportunity to work with you, so, thank you.

Thank you, Madam Chair.

The CHAIRMAN. Thank you, Senator Warren.

Senator Gardner.

Senator GARDNER. Thank you, Madam Chair and thank you, Ranking Member Cantwell, for this very important hearing today. And I welcome the witnesses to the Committee and particularly Mr. Shafroth, welcome to the Energy and Natural Resources Committee.

For those of you who do not know, Mr. Shafroth's family background, of course, is very well connected to the issues that we are talking about today. A former United States Senator, his great grandfather served in this body and also was instrumental in something that we have celebrated thanks to Director Jarvis and Mr. Shafroth, as well this past year which was the Centennial celebration for Rocky Mountain National Park. So welcome, Mr. Shafroth, to the Committee and Director Jarvis, certainly thank you for being at the—I guess we had a jump start on the Centennial celebration of the National Park System by cheating and having Rocky's celebration this past August.

But we have a \$205 million or so backlog in Colorado's National Parks through the 12 systems that we have and it is a significant challenge. If you look at Rocky Mountain National Park the backlog is estimated to be nearly \$68 million. We have somewhere in the effect last year of about three and a half million visitors to Rocky Mountain National Park with \$68 million in backlog.

Then of course, an incredible jewel, the Mesa Verde National Park had about half a million visitors but still has nearly as much maintenance backlog as Rocky Mountain National Park at around \$64 million. So these are significant challenges.

Before I get into any of those challenges though, I want to, hope, that we can continue to express this Committee's support for continued and permanent reauthorization of the Land and Water Conservation Fund (LWCF). It is legislation that we passed out of this Committee and I know there are a number of us who are trying to continue to fight for the permanent authorization of LWCF.

We have the Omnibus Appropriations bill, perhaps the last gasp effort this year to place the permanent reauthorization. I hope that members will urge leadership to continue to look at that as a possibility. LWCF, obviously, is a critical tool for protecting some of our nation's most cherished lands and vital programs for the future of our National Parks. Again, I would just encourage our leadership to continue efforts on that.

Director Jarvis, Colorado National Park properties have about six million visitors, and almost half of that, a little over half of that, is for Rocky Mountain National Park. In 2013, 5.3 million visitors, so we have seen a significant increase this year. They spent \$330 million in Colorado supporting nearly 5,000 jobs, economic impact totally of about \$460 million, nearly half a billion dollars.

With the Centennial next year Senator Shaheen and I are working on legislation that would really try to get a good understanding of the economic benefits of the outdoor recreation economy, the sector that plays such an important role in our public lands. I am wondering if you could give us an idea of how a good government analysis would show the impact of outdoor recreation assist in correlation between government spending and deferred maintenance backlog for parks? How could that help? How could, keeping in mind that it takes the Park Service spending nearly \$700 million per year on deferred maintenance projects to hold the backlog at its current level, how could this kind of information help you?

Mr. JARVIS. Thank you, Senator.

That's a great lead in. You know there's an old adage that says whoever makes the economic argument first wins, and I don't think we've been particularly articulate about the total economic benefits that are derived from the parks. We're pretty good on the visitation side but not great.

There's been a fair amount of research in that area. But your legislation with Senator Shaheen's around being able to carve out the contributions of the outdoor recreation economy, being able to be articulate about all of the primary and secondary, tertiary benefits that roll through the economy as a result of, you know, the outdoor retail associations the, you know, travel and tourism, all of that, I think there are secondary aspects that we need to also suss out. Everything from, you know, the place like Rocky Mountain National Park in its provision for water into the area, sort of ecosystem services.

All of those things, I think, help us make the argument that the National Park System is an investment. It's not a cost. It is an investment that this country makes, and we derive extraordinary benefit throughout society from that investment.

And so, you as our, you know, appropriators and authorizers need to see that as this is something that is worthy of your investment because it gives such great returns economically and socially to the nation.

Senator GARDNER. Thank you, Mr. Shafroth.

Of course the National Park Foundation, if I am not mistaken, was a creature of legislation by Congress to create an advisory board, people who could look out for the National Parks and sort of be the stewards or the guardians of the National Park. I appre-

ciate the work that you are doing with the congressionally-approved efforts for the National Park Foundation.

We also had another Centennial this past year, by the way, and I did not want to forget Dinosaur National Monument as well in Colorado. I am starting this whole process, so thank you.

I wanted to just talk to you a little bit about the LWCF with congressional appropriations issues, difficult budget situations, how does the Centennial legislation and looking at the needs of the Centennial legislation, how does LWCF though play a role in reducing maintenance costs by easing boundary line management issues?

Mr. SHAFROTH. Thank you, Senator Gardner.

We've actually taken a fairly close look at the issues around park inholdings and discovered that in many cases by investing a relatively small amount of money in an inholding you can actually reduce the impact on the management cost by the National Park Service on that land because they don't have to deal with the roads leading to and from, the potential incompatible uses that may result from that lot and frankly, the loss of integrity of the park unit itself.

And so, in some cases, by again spending a relatively small amount of money that could be derived from LWCF you can actually reduce the cost of managing that park.

Senator GARDNER. Thank you.

Thanks, Madam Chair.

The CHAIRMAN. Thank you.

Senator MANCHIN.

Senator MANCHIN. Thank you, Madam Chairman and thank all of you for being here. I do not think that there is not one of us not in love with our national parks, and we all have been blessed with them and we are going to do all we can to support them.

I think with that we have a responsibility, and I will start with Mr. Jarvis. How in the world do we get to \$11 billion? If we are in charge of being good stewards of the taxpayers' money and all of the contributors, how do we get that far behind?

Mr. JARVIS. So the infrastructure of the National Park System was mostly built in the 50's and 60's with Federal appropriations. So the water treatment, waste water systems——

Senator MANCHIN. Sure.

Mr. JARVIS. All of that basic infrastructure is now pretty old and at beyond basically its useable life.

We, you know, we're not a taxing authority. We have to come to you with our hand out for appropriations to fix those. In fact we get about half of what we need annually to just keep up, just to keep the basics.

Senator MANCHIN. Okay.

I can only relate as a former Governor all of my agencies would come to me. And they always wanted, they always found the new jingle, if you will, and that is where they would rally. They very seldom ever took care of the maintenance they had, so I shut everybody down. I said I am not building, not giving you another dime until you take care of what you have. And I said, how can I ask the people in good faith to continue to invest when you won't take care of what you've got? But you always want to expand.

I was being very hard on them. I made everyone come back and make sure their budgets were included in maintenance and then also how we would pick up deferred maintenance.

I would say we either had a wish list, a want list or a neglected needs list. I think a lot of your superintendents or your park people, supervisors, I am sure you rate different ones who are doing their job better. When you see some of these deficits that are building up and I see some in my parks and I do not have all that many, we are so proud of the ones we do have.

But how they could get \$12 or \$15 million in deferred maintenance then they have neglected something, I would say. They owe me an answer that I can speak to the people about in my state that I am saying to all these donors, we need your support. They are going to say well we want to know how you are spending your money now. Why would I give you more?

You understand that we have to build the same trust with our park system as we do with our government? And we have very little of either one. So I am saying do you think there is a better way? Are you looking at targeting something in a different way of how we can get more accountability and responsibility from the system that we have and how you rate some of your supervisors?

Mr. JARVIS. Well Senator, I'm going to have to, kind of, strongly disagree with your assessment of the situation.

We have a very robust system to understand our infrastructure. The National Park Service has an infrastructure that was given to us by this body, by Congress, that's second only to the Department of Defense, in terms of physical infrastructure. We have buildings that were homes of Presidents. We have thousands and thousands of miles of road and trails. We're not building anything new. We are in a triage situation. I'm not building the visitor centers. I'm trying to keep the roofs on the ones I have.

If you're park superintendent you get an annual appropriation from the Congress. You can't exercise a tax on anybody. You don't have any other way to generate, other than private philanthropy, which you can do for some kinds of projects. You can get volunteers but volunteers are not going to fix your waste water treatment plant. So these assets over time go into decline and we need to re-invest in them.

Senator MANCHIN. Are the requests made by your park superintendents basically on what the needs are and we just neglect them as a legislative body here and we just neglect that completely but they are basically put in the request that you are making for the——

Mr. JARVIS. Absolutely.

At the request of this Congress about a decade ago, we put in a very, very sophisticated asset management plan. Every park has to have an asset management plan. And it takes every physical asset, every rest room, every trail, every building and determines one, its priority. Is it necessary for visitor experience or is it of historical value?

So there's an asset priority. We know its condition. We know what it needs to be to be maintained. In some cases, if it's a low asset priority in a bad condition, we tear it down. We have an an-

nual fund, very small, to get rid of assets because we just can't maintain them.

And we can give you, in excruciating detail, park by park, the condition of every asset and its needs. But really our only source and we're putting the vast majority of any of our fee accounts right back into these high priority assets. And the priority is health and safety right now. We're in a triage.

Senator MANCHIN. I think what I am hearing is you, along with many citizens of this great country, are saying that we need to do our job, get our financial house in order which we have not done.

I just want to make sure that the responsibility and the accountability from the Department of Parks which we all love and hold very dear to us is doing everything they can to continue to have the trust of the American people.

Mr. JARVIS. I would agree. And I would say I'm doing everything that this body has asked of me which is increased your fees, increased philanthropy, increased volunteerism. We're up, we've gone from 300,000 volunteers to 440,000 volunteers in our system. Looked to corporate sponsorships, that is not going to address the maintenance backlog. It's only going to help but ultimately it's a combination of all of those, plus appropriations to really take this on.

Senator MANCHIN. Thank you very much.

The CHAIRMAN. Senator Barrasso.

Senator BARRASSO. Thank you and thank you, Madam Chairman. I want to thank Senator Manchin. I was going to follow that same line of questioning and start on the deferred maintenance.

So thank you, Senator Manchin, for your focus on that because I think it is critical, \$11 billion is something that we need to take care of.

I want to thank all of you for being here.

Of course, Wyoming has the first National Park in Yellowstone. It contributes significantly to our state's rich heritage as well as to our economy. We are grateful for that.

With this bill, as we have talked about, there are costs. There are investments. There is a level of mandatory spending.

So I would ask you, Director Jarvis, the bill establishes \$1.5 billion mandatory spending required to be coupled with an offset to make the legislation deficit neutral. Are there places that Congress can look within the Department's budget to find necessary offsets?

Mr. JARVIS. Senator, I wish I could find that. [Laughter.]

But I am not empowered to look across the Department's budget for offsets for those funding sources.

Senator BARRASSO. Title eight of the bill calls for the creation of what are called Visitor Services Management Authority. It creates pilot programs for future management of contracts. The section seems to allow the Park Service unfettered discretion to determine the purpose and the scope of the authority. So, kind of, given what I believe is some ambiguous language, what does the National Park Service hope to achieve through this creation of this Visitor Service Management Authority?

Mr. JARVIS. Thank you for the opportunity to talk about the Visitor Services Management Authority in this title.

So currently our commercial operations, guides and outfitters, lodging, food and beverage, retail, are all under the umbrella of the concessions law. And it has been, it was revised by the Congress in the mid 90's and resolved some long-standing issues.

We now generate additional funds. We went up from, I think, an average of about four percent franchise fees, I think, up to about seven percent franchise fees returned to the government on that.

But unfortunately the law is a one-size-fits-all, and it applies unilaterally to concession contracts which are non-negotiable. They're arms length, RFPs, they respond. And let's say it works in some places and doesn't work in others.

What we're asking for is essentially the current concessions law plus a new authority to give us some greater, let's say, opportunity to work with the private sector to provide these services in a different way. One would be to be able to just actually negotiate a contract where it would make some sense.

To be able to address and create somewhat of a revolving fund so that we can address the physical facilities that have gone into decline that provide visitor experience and services as well.

So and we think that at some point we're going to want to come back to you for amendments to the concessions law. But we don't think we're quite ready right now to do that. We would like to have this authority. Let us experiment with it for a few years. Test it out in partnership with the private sector.

Existing concessioners would not be affected by this and none of the existing contracts. And when we look at new contracts that come available we would make a call on whether or not to go down the VSMA route or the current concessions law and then come back to you with some ideas to improve on the existing concessions program.

The services to the American people in our parks are always going to be in partnership with the private sector.

Senator BARRASSO. I wanted to get to you. I'm running low on time.

I wanted to ask Mr. Crandall about that because in Wyoming, Yellowstone National Park is a 20-year contract with a concessioner. You made reference to it in your opening statement. Over the 20 years of the contract the concessionaires pledged \$200 million as an investment in the park. This investment is certainly a welcome one given the deferred maintenance backlog that we have been talking about. We heard several times today about the size of the backlog.

In your view should this longer Yellowstone contract serve as a model for concessionaire agreements in the future?

Mr. CRANDALL. Thank you, Senator.

Yes, exactly. We believe that the Yellowstone contract provides both the incentive for Xanterra to invest in the money plus the advantage to the American public with immediate improved services that are amortized over the length of the contract. By the time Xanterra's contract comes to a conclusion in 20 years roughly half of their investment will be amortized. And we believe that's an appropriate way to move ahead.

I would say that this investment still will only affect about 30 percent of the available rooms in the National Parks. It will bring

us back up to the level of visitor housing that once existed in the park but does not expand the opportunity which we think is also important to consider.

Senator BARRASSO. So the benefit would be to the visiting public as well as to the general taxpayer—so it would be, kind of, a double benefit of doing this sort of a project?

Mr. CRANDALL. Yes, sir.

Senator BARRASSO. Great.

Ms. Pierno, my time is out. You started by saying it is the first time you testified to this important Committee. I mentioned to the Chairman that the next time you may want to add, consequential, powerful, influential and visionary. [Laughter.]

Ms. PIERNO. Thank you. I'll make sure I do that, Senator. [Laughter.]

The CHAIRMAN. And thank you, Senator Barrasso.

Senator Hirono.

Senator HIRONO. Thank you, Madam Chair.

Director Jarvis, first I would like to thank you for all of the work that the National Park System has done for communities in Hawaii. And recently, of course, working with the county and state to build an emergency road through Volcanoes National Park due to lava flow that was endangering a community there and then working with the Federal Land Management agencies in selecting Hawaii's island forests at risk, a proposal to receive the LWCF funding this year which was a really huge effort on the part of two islands in the State of Hawaii to get this proposal higher up on the list of priorities. You get how important Hawaii's ecosystems are, and you really understand the unique challenges that we face in Hawaii. So thank you very much.

I note that in the listing of all of the deferred maintenance that Hawaii is up there with over \$100 million in deferred maintenance.

I know that as with so many other entities Congress has not done its part in providing the resources necessary to keep things going, and I certainly understand how it is that we have an \$11 billion backlog.

Just to clarify for me, you said that we would need something in the order of \$700 to \$800 million spent every year just to maintain the backlog at its current position. So even if we spend this kind of money every year, we are still going to have an \$11 billion backlog? Is that what you were telling us?

Mr. JARVIS. The proposal in the President's Fiscal '16 budget and this, the mandatory appropriation, if all authorized and appropriated for ten years we could bring our high priority, non-road assets to good condition. So we would focus on those assets in the parks that are directly related to the visitor experience or are high value from a historical standpoint, and we would invest specifically in those. It would not eliminate the backlog, but it would fix the high priority assets across, along with a multiyear appropriation.

Senator HIRONO. And then your high priority assets that you are going to focus these funds on would also have a huge health and safety aspect to it, right, because health and safety should be the first priority?

Mr. JARVIS. Yes.

Senator HIRONO. For your—

Mr. JARVIS. Yes, Ma'am, absolutely.

Senator HIRONO. For a maintenance program.

So this bill establishes various funds or supports various funds, programs and accounts. Around the time of the Centennial period how important is it that we enact this legislation now as opposed to providing these funds and programs and accounts further down the road?

Mr. JARVIS. Well I think as several have said, the Centennial only comes once every 100 years, and it's our opportunity to really set the National Parks up, the National Park System up, for its second century of stewardship and visitor experience.

And I think this is the moment in time, in partnership with the National Park Foundation, the Hospitality Association and our friends groups, we're drawing the public's attention to the National Parks, to the work of the National Park Service to celebrate in many ways who we are as a nation. And I think that it would be an extraordinary missed opportunity for the Congress to not take, to step up and take advantage of that attention that we are bringing to, you know, there are many things in this nation that divide us. The National Parks are one of the things that bring us together.

Senator HIRONO. I think that is a very good point.

You indicated that we probably should make some changes to the concessions provisions of the law. I am just curious as to the, for example, the 20-year concession contract that, Mr. Crandall, you pointed to.

I am curious as to whether or not these kind of longer-term concessions contracts allow for reopening of fee arrangements or whatever these arrangements are even in those contracts, are those—are there reopening provisions?

Mr. CRANDALL. The law is quite clear that there is an opportunity to revisit contracts of that length at some point.

But the—what we would like to have is a more robust and more flexible kind of a basis to regularly look at how the concessioner is doing, have a rating other than pass/fail which is how the current system operates, to reward excellence if a concessioner does more than is simply required under the contract. If, for example, as many of our concessioners are doing, they provide all of the city kids of Charleston access to Fort Sumter as part of the Every Kid in a Park program. Reward that with something that would extend their contract to allow us to focus on being better partners, long-term, investing in the needs—

Senator HIRONO. I am running out of time.

Mr. Jarvis, as we focus on making some changes to the concession's requirements would some of the things that were just pointed out, would those be areas that you would want to also address?

Mr. JARVIS. Well I think that when the concessions law was reformed in the mid 90's one of the things that was eliminated was the preferential right of renewal. And we feel that what that did and we support that is introduced competition which is, you know, a core value of this nation. And it brought new concessioners into the program that had not been a part of the system before.

And I would be opposed to the reinstatement of any type of, sort of, preferential right to maintain a contract in perpetuity over time

that reduces competition. It results in potential, long term payment to these, under the current program, LSI, the lease holder interest grows over time and ultimately you would wind up with a contract that is essentially upside down where we would owe them more money for all of their investments over that time.

So we propose this new VSMA, Visitor Services Management Authority, to give us some flexibility that, I think, Derrick is indicating as an alternative that then we could come back to you in the future with the concessioners to seek some reforms to the concessions law.

Senator HIRONO. I encourage that effort.

Thank you.

The CHAIRMAN. Senator King.

Senator KING. Madam Chair, I understand we have a vote, so—

The CHAIRMAN. Yes, we were just about—

Senator KING. Oh, right. So I am going to be very brief.

First, Mr. Jarvis, I've gotten to know over the last several years, Ed Bears, who I think should be made a National Park himself, your former National Park Historian, amazing guy.

Concessions changes, we have discussed in the past. I sent you a letter on June 15th that suggests several, I am not talking about an automatic renewal, but I do think that the credit should be given for prior service. That should be recognized. There are several other items, local impact should be recognized. I just think that I hope to work with you as you talk about changing that law.

Fees, perhaps for the record somebody could give me what percentage fees are versus public appropriations in terms of operation. I think of public universities which are roughly half funded by the public, the taxpayers, and half funded by tuition. I just want to understand what the relationship is.

I have talked to you in the past about my lifetime park pass which they will have to pry out of my cold hands that I bought for \$10 which I think is somewhat ridiculous.

No, you cannot. [Laughter.]

You are not 62, I do not think.

I would like to understand better what the relationship is between fees and appropriations and are we leaving money on the table in terms of the collection of fees we have talked about that. Of course, finally part of the problem is there is no Federal capital budget. We account exactly the same for paying a park ranger's salary as we do for building a road. There should be a capital budget, in my view, that takes account of the fact of long term assets as opposed to operating expenses.

So there are no real questions buried there, but given the shortness of time I hope there are some things you can give us some on the record response in terms of this business of appropriations versus fees and look forward to working with you on concessions.

I think your point about the longer-term contract is critical because that allows the concessionaires to make the capital investments. With a short-term contract, they have no incentive to make those capital investments because they are making it for potentially someone else. So I think that has to be an important part of this discussion as well.

Thank you, Madam Chair. I appreciate your indulgence.

The CHAIRMAN. Thank you, Senator King.

And to the panelists, thank you for your participation here this morning.

I think Senator Cantwell is actually going to try to scoot back after she votes and may have one final question.

Thank you for the discussion that we have had though on the legislation that is in front of us as we look to the next 100 years. Before I leave, Director Jarvis, I just want to bring up a couple of very quick issues.

It was just a couple months ago you and I had an opportunity to talk about the Falls Creek hydro project in Glacier Bay National Park. You told me at the time that you thought it was on track for funding in '17. I was told just a couple weeks ago by the Alaska Regional Director that the project is not going to be funded now at least until 2018, possibly as late as 2020.

I view this is as absolutely unacceptable. It is just crazy to think that here we are powering by diesel generation through the Park Service when we have renewable hydro opportunities for us within the community right there. So I would again ask you to take a look at that.

The second issue is as it relates to new wildlife regulations within Park Service as it relates to ANILCA. We had a hearing here in the Committee just last week on the implementation of ANILCA, and these wildlife regs came up. It states very clearly that the Federal agencies are to cooperate with adjacent landowners and land managers including native corporations, appropriate State and Federal agencies and other nations.

The real concern, and it was highlighted at the hearing, was that Park Service has promulgated regulations that are in direct conflict with state hunting regulations. Again, this is an issue that is unacceptable given the parameters of ANILCA. We need to be working with you on that.

I have got to go vote. I do not want to miss this. This is pretty important. We are finally getting some education reform done, so I am going to put my shoes on quickly and scoot out of here. But I am going to hold it open because I think that Senator Cantwell is coming back. So I am not going to conclude the meeting.

I cannot get my shoes on. [Laughter.]

But I will conclude by telling you thank you and letting you know that we have a lot of work to do. Senator Cantwell and I have discussed some of the provisions. I know her interest in working with Senator Portman and other members of the Committee as we work to build out, again, the future for our parks for the next 100 years.

With that I will thank you and I will await Senator Cantwell's return.

Thank you all.

[RECESS]

Senator CANTWELL [presiding]: We are back in session here, and I want to thank the witnesses. Thank you so much. I thought we were going to fill in with a few members who wanted to ask questions but apparently they got them asked while we were going back and forth on the vote.

I think the panel has answered a great deal of questions on a variety of issues today. And I think, for me, as I said in my first round of questions, I definitely want to look at the up side of visitor increases. I think the notion that you would increase visitation by ten million people—you did more than that in just one year—if you look at that from the economic impact of just the very basic visitor within a region, to a park that represents \$700 million of additional revenue of economic impact, that's very significant.

Now not all that goes to the Park Service, but it represents a very significant revenue source for the things that we want to do to keep this asset a great asset. I know that in this proposal, Director Jarvis, you talked about this public/private partnership. One of the things that we want to make sure that is talked about, and maybe it was by my colleagues, is why this public/private partnership you think is so important in the second 100 years of the park and what are we getting at that we were not previously able to do? Is it just about revenue or is it about awareness and a variety of other things that we think deliver the kind of partnership that we want to see?

Mr. JARVIS. Well it's a great question, Senator.

The Park Service has always been in partnership with the private sector even from the very earliest days with the railroads that built, in some cases, some of the lodges and the transportation systems to the National Parks.

In the mid 60s we had Mission 66 and See the USA in your Chevrolet was a partnership with AAA and the automobile industry as well. And so I think that this next century the partnership is going to be about robust partnerships with the private sector and individuals as well. And not just for the revenue generation but also for the opportunities to connect with this next generation of park visitors and supporters.

You know, there's certain industries out there that, sort of, have the millennials and they can be great partners to the National Park Service.

And you know, the comment about visitation, it's important that it isn't just raw numbers. It's that also it reflects the diversity of the nation. And so we're looking at the increase in visitation also to be reflective that the work of the National Park Service is relevant to all Americans as well.

Senator CANTWELL. Well I guess I appreciate that it is relevant to all Americans but when you see these numbers, the huge numbers, then you would say that it is relevant. When you basically cited in your answer to my first round that it is more than all these other sports combined, I think it says that it is important to Americans.

I think the question is how do we get a vision about what we are trying to do and how do we measure up to that as far as resources. Because I am one of the people on the Committee who believes that you might have new additions to the Park System, I also want to make sure that we can view it that way.

I certainly want to fix the inventory, and you've all done a good job of mentioning that today about what we need to do. I definitely want to have the opportunity to do both.

So I do not know if you have any comments. I do have some, for the rest of the panel, but if you had any comments about new additions to the Park System that you wanted to comment on.

Mr. JARVIS. Yes, thank you.

We do grow as a system, and we grow as a result of Congress, who added seven new units as part of the Defense Authorization bill. And then we have grown as a result of the President adding new units as well.

The way I view traditional growth in the system is one is to fill in the gaps in the historical story of our nations. So we've added places like Harriet Tubman, Colonel Charles Young, Buffalo Soldiers, Manhattan Project, one of your favorites, I know, and a great story. But we are doing these additions in partnership with others that we are not taking on the sole responsibility.

So obviously with Manhattan Project in partnership with the Department of Energy, a great partner to work with us on all three sites and the communities of Oak Ridge, Hanford and Los Alamos as well.

So we do, we will, continue to grow. But I think we need to grow very smartly and not take on too much new responsibilities that we really cannot afford.

Senator CANTWELL. Okay, for the rest of the panelists, if you could just give me what you think should be priorities in looking at the concessionaire relationship between the Park Service and the concession companies. I am sure I can give examples of issues of length being a benefit or the ability for us to be able to make change a benefit. I look at this, and again, want to see what it is that is going to help us build attendance and utilization of the parks.

So I see these incredible resources, incredible resources, and I see some areas where we have great concessions and then I see other areas where our concessions are lacking. I would just ask each of you three, what do you think should be the priorities with concessions in the Park System for this next 100 years? What should we be focusing on? What are the best attributes that we need to get out of the concessions?

Mr. CRANDALL. Senator, thank you for the question.

And I think I would begin by saying that the concessioners don't operate exclusively in the Parks. All of the major concessioners also operate out of the parks. They understand America. They serve America in stadiums. They serve America at the Kennedy Space Center and others.

I think they have a story to tell to the Park Service about who our client is, who the visitors to parks are. I think it's very important for us to just understand better who is coming, who is not coming. Concessioners can play that role.

I can tell you that one of the major problems we have is a sharp drop in the number of overnight stays in National Park Service campgrounds, and the answer is quite clear in terms of understanding the difference between 21st century urban Americans and the people who used to go to camps. The truth of the matter is that right now we have campgrounds that are not doing as well as the comparable campgrounds in state parks, in the private sector, because they don't have the features that people are looking for. And

we think areas like that would help to provide a more robust kind of experience.

The second thing I would say is that concessioners operating in National Parks are not like a Holiday Inn or a Marriott or anything else. In most cases they're embedded in the community. They are storytellers too, and we believe that's an important ingredient in the long-term relationship between businesses that are operating in the National Parks and the Park Service.

Senator CANTWELL. Okay.

Yes?

Ms. PIERNO. Thank you for the question.

I think that obviously what I think Director Jarvis mentioned as far as competition and certainly having healthy competition is going to be critical to improve facilities. So I would say as you continue to look at the bill and work where you can provide that opportunity for competition as well as ensure that with new contracts visitor services are improved.

I think the issue of length is certainly a valid issue. And I think given the exceptional capital expenses that there's an opportunity to look at that and do that in a way that makes sure that those improvements continue to happen.

You know, I would say your point about partnerships, one thing that was amazing to me and Secretary Jewell just recently went to a dedication for Waco Mammoth and she called it a "park in a box." And the reason I bring that up is because that was clearly where Baylor University, the Waco City, the foundation that was developed, spent millions of dollars, built it out with a visitor center, with everything and handed the key to the National Park Service. And that is a partnership where they're going to continue to be funding and providing those resources.

And so we need to continue to look at innovative ways so when we talk about new parks and adding to the system's burden, this is an example where, you know, nobody would argue Columbian Mammoths aren't critical in this only nursery herd in the world that's been discovered isn't important to save and to highlight as part of the National Park Service.

So I think that as we continue to think about concessioners and working with partners and how we bring all this together looking at models like that are really important.

Senator CANTWELL. Okay.

Mr. SHAFROTH. Senator Cantwell, with the understanding it's not an area that I could consider myself to be an expert in I would just acknowledge that Director Jarvis' request for additional flexibility is probably the most important thing. What I do know is that how diverse the Park System is and there is no one size fits all approach to the concessioners or almost anything else that they do. And so providing the Park Service with some tools to allow them to look at these things individually and come up with solutions that are going to actually, in one case it may be the duration, in another case it may be the flexibility on how it's applied.

I think that's the most important thing you could do and then plan to come back in a couple years to analyze what big changes may need to happen.

Senator CANTWELL. Director Jarvis, I did not mean to exclude you from that but I wanted to make sure I got these witnesses on the record.

I do not know if you have any examples right now that you think are working brilliantly and why they're working so well and if you wanted to mention that.

Mr. JARVIS. We do have examples. I think the example that Derrick brought up about the Yellowstone contract, that was a straight line depreciation that was part of the new contract and that we're able to depreciate that investment by the new concessioner there over the life of the contract. That isn't always the case. Not all concessioners are willing to do that.

The problem is, as I indicated, we have, sort of, one size fits all. Yesterday, just as an example, we had a meeting about Franklin Park here in Washington, DC which is a small, green space right in the heart of the downtown business district. We really want to invest in that in relationship with the city. And we sit down with our authorities and we want to do a cafe. It's just a simple, outdoor cafe. And so if it was a concession we'd have to put it out for the concessions law and we'd have this term of contract and we looked at the lease. And you know, we just don't have flexible authorities to take, apply and allow the commercials, a private sector to come in and do an operation that would work in Franklin Park, Washington, DC and also Yellowstone. That's a problem.

I think the second piece is that these commercial services across the system as we go into our second century, it's appropriate that the private sector makes money off of them, but I think there is a greater return to the Federal Government that we can reinvest in these facilities also for us. And we need some more flexibilities to be able to be more similar to the private sector, operations particularly in the hospitality industry to create a fund that can reinvest and modernize without necessarily having to put it into a contract and then have it be an LSI issue for us down the road.

So we're really looking for greater flexibility, not to replace but to add to our abilities.

Senator CANTWELL. Well, thank you.

I think all the things that were mentioned—healthy competition, visitor service improvements, flexibilities—are all very important aspects. So thank you all very much, and thank you for this hearing.

We look forward to working with all of you and particularly you, Director Jarvis, on this very important issue. We want the Parks to be a very robust tool for our nation and to those who want to travel to our nation to visit them as well.

So with that, we are adjourned.

[Whereupon, at 12:05 p.m. the hearing was adjourned.]

APPENDIX MATERIAL SUBMITTED



114TH CONGRESS
1ST SESSION

S. 2257

To prepare the National Park Service for its Centennial in 2016 and for a second century of protecting our national parks' natural, historic, and cultural resources for present and future generations and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 5, 2015

Ms. CANTWELL (by request) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To prepare the National Park Service for its Centennial in 2016 and for a second century of protecting our national parks' natural, historic, and cultural resources for present and future generations and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SECTION 1. SHORT TITLE.

4 (a) SHORT TITLE.—This Act may be cited as the
5 “National Park Service Centennial Act”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title.

TITLE I—CENTENNIAL DECLARATION

Sec. 101. Centennial declaration.

TITLE II—NATIONAL PARK CENTENNIAL CHALLENGE FUND

- Sec. 201. Purpose.
- Sec. 202. Definitions.
- Sec. 203. National Park Centennial Challenge Fund.
- Sec. 204. Signature projects and programs.
- Sec. 205. Donations and matching Federal funds.
- Sec. 206. Report to Congress.

TITLE III—SECOND CENTURY INFRASTRUCTURE INVESTMENT

Sec. 301. Second century infrastructure investment.

TITLE IV—PUBLIC LANDS CENTENNIAL PROGRAM

- Sec. 401. Public Lands Centennial Fund.
- Sec. 402. Public Lands Centennial Program.
- Sec. 403. Report to Congress.

TITLE V—NATIONAL PARK FOUNDATION ENDOWMENT

- Sec. 501. Short title.
- Sec. 502. Second Century Endowment for the National Park Service.

TITLE VI—NATIONAL PARK SERVICE SECOND CENTURY FUND

- Sec. 601. Second Century Fund.
- Sec. 602. Comparable pass cost for seniors.

TITLE VII—NATIONAL PARK NEXT GENERATION STEWARDS

- Sec. 701. National Park Service interpretation and education.
- Sec. 702. Public Land Corps amendments.
- Sec. 703. Volunteers in the parks.

TITLE VIII—NATIONAL PARK SERVICE VISITOR SERVICES
MANAGEMENT PROGRAM

Sec. 801. National Park Service Visitor Services Management Program.

TITLE IX—INTELLECTUAL PROPERTY

Sec. 901. Intellectual property.

TITLE X—NATIONAL PARK FOUNDATION AUTHORITIES

- Sec. 1001. Board of Directors.
- Sec. 1002. Authorization of appropriations.

1 **TITLE I—CENTENNIAL**
2 **DECLARATION**

3 **SEC. 101. CENTENNIAL DECLARATION.**

4 Section 100301 of title 54, United States Code, is
5 amended—

6 (1) by striking “There is” and inserting “(a)
7 There is”, and

8 (2) by adding the following new subsection at
9 the end:

10 “(b) CENTENNIAL DECLARATION.—On the centen-
11 nial of the establishment of the Service in 1916, Congress
12 declares that the Service has responsibility not only for
13 the administration of the System, but also for programs
14 that provide financial and technical assistance to States,
15 communities, and individuals to protect natural, cultural,
16 historical, and recreational sites, enhancing the preserva-
17 tion of the nation’s story, increasing access to the out-
18 doors, and contributing to the economic and environ-
19 mental well-being of the United States. The Congress reaf-
20 firms and directs that the Secretary utilize these pro-
21 grams, and any related programs authorized by Congress,
22 to further the conservation and enjoyment of the natural
23 and cultural heritage of the nation for the benefit and in-
24 spiration of the public.”.

1 **TITLE II—NATIONAL PARK**
2 **CENTENNIAL CHALLENGE FUND**

3 **SEC. 201. PURPOSE.**

4 It is the purpose of this title to establish a fund in
5 the Treasury that will be used to finance signature
6 projects and programs to enhance the National Park Sys-
7 tem as it approaches its centennial in 2016 and to prepare
8 the parks for another century of conservation, preserva-
9 tion, and enjoyment.

10 **SEC. 202. DEFINITIONS.**

11 In this title:

12 (1) CHALLENGE FUND.—The term “Challenge
13 Fund” means the National Park Centennial Chal-
14 lenge Fund.

15 (2) DIRECTOR.—The term “Director” means
16 the Director of the National Park Service.

17 (3) SECRETARY.—The term “Secretary” means
18 the Secretary of the Interior.

19 (4) SIGNATURE PROJECT OR PROGRAM.—The
20 term “signature project or program” means any
21 project or program identified by the Secretary as
22 one that will help prepare the national parks for an-
23 other century of conservation, preservation, and en-
24 joyment.

1 (5) QUALIFIED DONATION.—The term “quali-
2 fied donation” means either a cash donation, or the
3 binding pledge of a cash donation that is guaranteed
4 by an irrevocable letter of credit, to the National
5 Park Service that the Director certifies is to be used
6 for a signature project or program.

7 **SEC. 203. NATIONAL PARK CENTENNIAL CHALLENGE FUND.**

8 (a) ESTABLISHMENT.—There is hereby established in
9 the Treasury a fund to be known as the National Park
10 Centennial Challenge Fund. The Challenge Fund shall
11 consist of:

12 (1) Qualified donations that are transferred
13 from the National Park Service donation account in
14 accordance with section 205(a) of this title.

15 (2) Amounts appropriated from the general
16 fund of the Treasury in accordance with section
17 205(b) of this title.

18 (b) AVAILABILITY.—All amounts transferred or ap-
19 propriated to the Challenge Fund shall be available to the
20 Secretary for signature projects and programs under this
21 title without further appropriation until expended.

22 **SEC. 204. SIGNATURE PROJECTS AND PROGRAMS.**

23 (a) LIST.—The Secretary shall develop a list of signa-
24 ture projects and programs eligible for funding from the
25 Challenge Fund. The list shall be submitted to the Com-

1 mittees on Appropriations and Energy and Natural Re-
2 sources in the United States Senate, and to the Commit-
3 tees on Appropriations and Natural Resources in the
4 House of Representatives.

5 (b) UPDATES.—The Secretary may, from time to
6 time, as the Secretary finds appropriate, add any signa-
7 ture project or program to the list and provide notice of
8 such addition as required by subsection (a).

9 **SEC. 205. DONATIONS AND MATCHING FEDERAL FUNDS.**

10 (a) QUALIFIED DONATIONS.—At any time after Oc-
11 tober 1, 2015, the Secretary may transfer to the Challenge
12 Fund any qualified donation received by the National
13 Park Service.

14 (b) MATCHING AMOUNT.—There is appropriated to
15 the Challenge Fund in each fiscal year beginning on Octo-
16 ber 1, 2015, and ending on September 30, 2018, an
17 amount equal to the qualified donations received in the
18 same fiscal year, not to exceed \$100 million in any one
19 year.

20 (c) SOLICITATION.—Nothing in this title shall be con-
21 strued as expanding any authority that exists on the date
22 of its enactment with respect to the ability of the National
23 Park Service and its employees to receive or solicit dona-
24 tions.

1 **SEC. 206. REPORT TO CONGRESS.**

2 The Secretary shall provide with the submission of
3 the President's budget a report on the status of the signa-
4 ture projects and programs and their funding.

5 **TITLE III—SECOND CENTURY**
6 **INFRASTRUCTURE INVESTMENT**

7 **SEC. 301. SECOND CENTURY INFRASTRUCTURE INVEST-**
8 **MENT.**

9 In addition to annual appropriations, there is hereby
10 appropriated to the National Park Service Construction
11 Account in each fiscal year beginning on October 1, 2015,
12 and ending on September 30, 2018, an amount equal to
13 \$300 million, to remain available until expended, to cor-
14 rect deficiencies in National Park Service infrastructure
15 and facilities.

16 **TITLE IV—PUBLIC LANDS**
17 **CENTENNIAL PROGRAM**

18 **SEC. 401. PUBLIC LANDS CENTENNIAL FUND.**

19 (a) **ESTABLISHMENT.**—There is established in the
20 Treasury a fund to be known as the Public Lands Centen-
21 nial Fund.

22 (b) **FUNDING.**—In each fiscal year beginning on Oc-
23 tober 1, 2015, and ending on September 30, 2018, there
24 is hereby appropriated to the Public Lands Centennial
25 Fund an amount equal to \$100 million, to remain avail-
26 able until expended.

1 **SEC. 402. PUBLIC LANDS CENTENNIAL PROGRAM.**

2 (a) PROGRAM.—The Secretary of the Interior and the
3 Secretary of Agriculture shall jointly establish a program
4 under which funds from the Public Lands Centennial
5 Fund are made available to Federal land or water man-
6 agement agencies, including the Bureau of Land Manage-
7 ment, the Bureau of Reclamation, the Fish and Wildlife
8 Service, the Forest Service, and the National Park Serv-
9 ice, to support projects that—

- 10 (1) enhance visitor services and outdoor rec-
11 reational opportunities;
12 (2) restore lands and waters;
13 (3) repair facilities or trails; or
14 (4) increase energy and water efficiency.

15 (b) COMPETITIVE PROCESS.—The program estab-
16 lished in subsection (a) shall provide for a competitive
17 process for the selection of eligible projects.

18 (c) SELECTION CRITERIA.—In selecting projects to
19 receive funds under the program established in subsection
20 (a), the Secretary of the Interior and the Secretary of Ag-
21 riculture shall consider the extent to which a proposed
22 project—

- 23 (1) ranks highly within existing agency project
24 prioritization processes;
25 (2) delivers measurable and observable environ-
26 mental or community benefits;

- 1 (3) includes a role for youth and veterans;
2 (4) follows best management practices and does
3 not create significant new burdens for maintenance
4 or ongoing reinvestment by the proposing land man-
5 agement agency; and
6 (5) involves collaboration with community part-
7 ners.

8 **SEC. 403. REPORT TO CONGRESS.**

9 The Secretary of the Interior and the Secretary of
10 Agriculture shall provide with the submission of the Presi-
11 dent's budget a report of the projects selected for funding
12 under section 402 and the status of their funding.

13 **TITLE V—NATIONAL PARK**
14 **FOUNDATION ENDOWMENT**

15 **SEC. 501. SHORT TITLE.**

16 This title may be cited as the “National Park Foun-
17 dation Endowment Act”.

18 **SEC. 502. SECOND CENTURY ENDOWMENT FOR THE NA-**
19 **TIONAL PARK SERVICE.**

20 Chapter 1011 of title 54, United States Code, is
21 amended by adding at the end the following:

22 **“§ 101121. Second Century Endowment for the Na-**
23 **tional Park Service**

24 “(a) SECOND CENTURY ENDOWMENT.—To further
25 the mission of the Service, the National Park Foundation

1 shall establish a special account to be known as the Second
2 Century Endowment for the National Park Service (En-
3 dowment).

4 “(1) FUNDS FOR THE ENDOWMENT.—

5 “(A) The Endowment shall consist of any
6 gifts, devises, or bequests that are provided to
7 the National Park Foundation for such pur-
8 pose.

9 “(B) The National Park Foundation shall
10 deposit any funds received for the Endowment
11 in a federally insured interest-bearing account
12 or may invest funds in appropriate security ob-
13 ligations, as directed by the Board of Directors.

14 “(C) Any accrued interest or dividends
15 earned on funds received for the Endowment
16 shall be added to the principal and form a part
17 of the Endowment.

18 “(2) USE OF FUNDS.—

19 “(A) The National Park Foundation shall
20 use funds deposited in the Endowment for
21 projects and activities approved by the Sec-
22 retary that further the mission and purposes of
23 the Service.

24 “(B) Each fiscal year, the National Park
25 Foundation may not expend from the Endow-

1 ment more than 50 per centum of the funds re-
 2 ceived or added to the Endowment in that fiscal
 3 year in accordance with subparagraph (A).

4 “(C) No funds received for the Endowment
 5 shall be used by the National Park Foundation
 6 for administrative expenses of the Foundation,
 7 including for salaries, travel and transportation
 8 expenses, and other overhead expenses.

9 “(b) REPORT.—Beginning two years after the enact-
 10 ment of this title, the National Park Foundation shall in-
 11 clude, with its annual report, the status of the Endowment
 12 established by subsection (a), including—

13 “(1) a statement of the amounts deposited in
 14 the Endowment and the balance remaining in the
 15 Endowment at the end of the fiscal year; and

16 “(2) a description of the sums and purposes of
 17 the expenditures made from the Endowment for the
 18 fiscal year.”.

19 **TITLE VI—NATIONAL PARK**
 20 **SERVICE SECOND CENTURY**
 21 **FUND**

22 **SEC. 601. SECOND CENTURY FUND.**

23 (a) IN GENERAL.—Title 54, United States Code, is
 24 amended by inserting the following after chapter 1033:

1 **“CHAPTER 1035—NATIONAL PARK**
2 **SERVICE SECOND CENTURY FUND**

“Sec.

“103501. Establishment.

“103502. Lodging and camping fees.

3 **“§ 103501. Establishment**

4 “(a) IN GENERAL.—There is established in the
5 Treasury an account to be known as the National Park
6 Service Second Century Fund.

7 “(b) DEPOSITS.—All funds collected under section
8 103502 and section 807(c)(3) of the Federal Lands Recre-
9 ation Enhancement Act shall be deposited into the Second
10 Century Fund, and shall remain available until expended.

11 “(c) USE OF FUNDS.—

12 “(1) Funds deposited into the National Park
13 Service Second Century Fund shall be used for
14 projects or programs approved by the Secretary to
15 further the mission of the Service and to enhance
16 the visitor experience in System units.

17 “(2) Funds may only be used if matched, on a
18 1-to-1 basis, by non-Federal donations (including
19 funds, goods or services) to the Service for specified
20 projects or programs.

21 **“§ 103502. Lodging and camping fees**

22 “(a) FEES.—Within a System unit, the Secretary, ei-
23 ther directly or through a concessions contract, lease, or

1 similar instrument, may impose a fee in addition to the
2 daily cost of lodging or camping—

3 “(1) of not more than 5 per centum of the fee
4 charged on each person for each night of lodging in
5 facilities; and

6 “(2) of not more than 5 per centum of the fee
7 charged on each person for each night of camping
8 in designated campgrounds.

9 “(b) LIMITATIONS.—No fees may be charged under
10 this section within a System unit for—

11 “(1) visitors engaged in backcountry camping
12 at undesignated sites;

13 “(2) employees of the System, including sea-
14 sonal employees or employees of concessioners, who
15 live in housing provided in the parks due to their
16 employment, and house guests of such employees;

17 “(3) persons engaged in residential educational
18 and interpretive programs who are lodged in park
19 facilities while participating in these programs; and

20 “(4) lodging or camping on private property
21 within a System unit.”.

22 (b) CONFORMING AMENDMENT.—Title 54, United
23 States Code, is further amended in the matter before sub-
24 title I by inserting the following after chapter 1033:

“1035. National Park Service Second Century Fund103501”.

1 **SEC. 602. COMPARABLE PASS COST FOR SENIORS.**

2 The Federal Lands Recreation Enhancement Act (16
3 U.S.C. 6801, Public Law 108-447, division J, title VIII)
4 is amended—

5 (1) in section 805(b)(1), by striking “of
6 \$10.00” and inserting “equal to the price of the Na-
7 tional Parks and Federal Recreational Lands Pass”;
8 and

9 (2) in section 807(c)—

10 (A) by renumbering paragraph (3) as
11 paragraph (4), and

12 (B) by inserting a new paragraph (3) as
13 follows:

14 “(3) DISTRIBUTION OF AGE DISCOUNT FEES
15 FOR NATIONAL PARK SERVICE.—Any amounts above
16 \$10.00 that are collected by the National Park Serv-
17 ice for the purchase of the lifetime pass by citizens
18 62 years of age or older shall be deposited in the
19 National Park Service Second Century Fund estab-
20 lished in chapter 1035 of title 54, United States
21 Code.”.

1 **TITLE VII—NATIONAL PARK**
 2 **NEXT GENERATION STEWARDS**

3 **SEC. 701. NATIONAL PARK SERVICE INTERPRETATION AND**
 4 **EDUCATION.**

5 (a) IN GENERAL.—Title 54, United States Code, is
 6 amended by inserting the following after chapter 1007:

7 **“CHAPTER 1008—EDUCATION AND**
 8 **INTERPRETATION**

“Sec.

“100801. Purposes.

“100802. Definitions.

“100803. Interpretation and education authority.

“100804. Interpretation and education evaluation and quality improvement.

“100805. Improved utilization of partners and volunteers in interpretation and
 education.

9 **“§ 100801. Purposes**

10 “The purposes of this chapter are—

11 “(1) to more effectively achieve the mission of
 12 the Service by providing clear authority and direc-
 13 tion for interpretation and education programs that
 14 are carried out by the Service under separate au-
 15 thorities;

16 “(2) to ensure that the public encounters a va-
 17 riety of interpretive and educational opportunities
 18 and services in their visits to our System units;

19 “(3) to recognize the Service provides lifelong
 20 learning opportunities and contributes to inter-
 21 disciplinary learning in traditional and nontradi-
 22 tional educational settings; and

1 “(4) to provide opportunities for all people to
 2 find relevance in the System and to strengthen pub-
 3 lic understanding of our natural and cultural herit-
 4 age.

5 **“§ 100802. Definitions**

6 “As used in this chapter:

7 “(1) INTERPRETATION.—The term ‘interpreta-
 8 tion’ means providing opportunities for people to
 9 form intellectual and emotional connections to gain
 10 awareness, appreciation, and understanding of the
 11 resources of the System. ‘Interpretation’ may also
 12 refer to the professional career field of Service em-
 13 ployees, volunteers, and partners who interpret the
 14 resources of the System.

15 “(2) EDUCATION.—The term ‘education’ means
 16 enhancing public awareness, understanding, and ap-
 17 preciation of the resources of the System through
 18 learner-centered, place-based materials, programs,
 19 and activities that achieve specific learning objectives
 20 as identified in a curriculum.

21 “(3) RELATED AREAS.—The term ‘related
 22 areas’ means:

23 “(A) national wild and scenic rivers and
 24 national trails;

25 “(B) national heritage areas; and

1 “(C) affiliated areas administered in con-
2 nection with the System.

3 **“§ 100803. Interpretation and education authority**

4 “The Secretary shall ensure that management of Sys-
5 tem units and related areas is enhanced by the availability
6 and utilization of a broad program of the highest quality
7 interpretation and education.

8 **“§ 100804. Interpretation and education evaluation
9 and quality improvement**

10 “The Secretary may undertake a program of regular
11 evaluation of interpretation and education programs to en-
12 sure that they—

13 “(1) adjust to how people learn and engage
14 with the natural world and shared heritage as em-
15 bodied in the System;

16 “(2) reflect different cultural backgrounds,
17 ages, education, gender, abilities, ethnicity, and
18 needs;

19 “(3) demonstrate innovative approaches to
20 management and appropriately incorporate emerging
21 learning and communications technology; and

22 “(4) reflect current scientific and academic re-
23 search, content, methods, and audience analysis.

1 **“§ 100805. Improved utilization of partners and vol-**
 2 **unteers in interpretation and education**

3 “The Secretary may—

4 “(1) coordinate with park partners and volun-
 5 teers in the delivery of quality programs and services
 6 to supplement those provided by the Service as part
 7 of a park’s Long Range Interpretive Plan;

8 “(2) support interpretive partners by providing
 9 opportunities to participate in interpretive training;
 10 and

11 “(3) collaborate with other Federal and non-
 12 Federal public or private agencies, organizations, or
 13 institutions for the purposes of developing, pro-
 14 moting, and making available educational opportuni-
 15 ties related to resources of the System and pro-
 16 grams.”.

17 (b) CONFORMING AMENDMENT.—Title 54, United
 18 States Code, is further amended in the matter before sub-
 19 title I by inserting the following between chapter 1007 and
 20 chapter 1009:

“1008. Education and interpretation100801”.

21 **SEC. 702. PUBLIC LAND CORPS AMENDMENTS.**

22 The Public Lands Corps Act of 1993 (Public Law
 23 103–82; 16 U.S.C. 1721) is amended—

24 (1) in section 203(10)(A), by striking “25” and
 25 inserting “30”;

1 (2) in section 204(b), by striking “25” and in-
 2 serting “30”; and
 3 (3) in section 207(c)(2), by striking “120 days”
 4 and inserting “2 years”.

5 **SEC. 703. VOLUNTEERS IN THE PARKS.**

6 Section 102301(d) of title 54, United States Code,
 7 is amended by striking “not more than \$3,500,000” and
 8 inserting “such sums as may be necessary”.

9 **TITLE VIII—NATIONAL PARK**
 10 **SERVICE VISITOR SERVICES**
 11 **MANAGEMENT PROGRAM**

12 **SEC. 801. NATIONAL PARK SERVICE VISITOR SERVICES**
 13 **MANAGEMENT PROGRAM.**

14 (a) IN GENERAL.—Title 54, United States Code, is
 15 amended by inserting the following after chapter 1019:

16 **“CHAPTER 1020—VISITOR SERVICES**
 17 **MANAGEMENT AUTHORITY**

“Sec.

“102001. Establishment of the Visitor Services Management Authority.

“102002. Operating Board.

“102003. Duties of the Director.

“102004. Contract authority.

“102005. Financial management.

“102006. Regulations.

“102007. Audits of records.

“102008. Annual report.

18 **“§ 102001. Establishment of the Visitor Services Man-**
 19 **agement Authority**

20 “The Secretary may establish a Visitor Services Man-
 21 agement Authority (hereinafter, the ‘VSMA’) that may ad-

1 minister commercial visitor services programs and activi-
 2 ties of the Service, as may be designated by the Secretary,
 3 including and without limitation, the award and adminis-
 4 tration of commercial visitor facilities and services man-
 5 agement contracts pursuant to section 804.

6 **“§ 102002. Operating Board**

7 “(a) APPOINTMENT OF OPERATING BOARD.—The
 8 VSMA shall have an Operating Board of 7 members ap-
 9 pointed by the Secretary as follows:

10 “(1) The Director of the National Park Service.

11 “(2) The Chief Financial Officer of the Na-
 12 tional Park Service.

13 “(3) The Associate Director for Business Serv-
 14 ices of the National Park Service.

15 “(4) Four other National Park Service Federal
 16 employees with appropriate training and experience
 17 to provide expert guidance to the VSMA.

18 “(b) TERMS AND VACANCIES.—Each board member
 19 appointed under subsection (a)(4) shall serve for a term
 20 not to exceed four years. A board member may continue
 21 to serve upon the expiration of the term until a successor
 22 is appointed.

23 “(c) DUTIES OF THE OPERATING BOARD.—The Op-
 24 erating Board shall—

25 “(1) appoint a VSMA Director;

1 “(2) formulate policies for the programs and
2 activities of the VSMA;

3 “(3) exercise general supervision over the ad-
4 ministration of the VSMA;

5 “(4) establish bylaws, policies, and procedures
6 as may be necessary for the fulfillment of the duties
7 described in this title;

8 “(5) review, approve, or disapprove all proposed
9 VSMA contractual and investment programs and ac-
10 tions; and

11 “(6) take all actions that are necessary and ap-
12 propriate to carry out the duties described in this
13 title.

14 **“§ 102003. Duties of the Director**

15 “The Director of the VSMA shall be responsible, sub-
16 ject to the supervision and direction of the Operating
17 Board, for carrying out the programs and activities of the
18 VSMA and for appointing such other VSMA officers and
19 employees as he deems necessary.

20 **“§ 102004. Contract authority**

21 “(a) GENERAL AUTHORITY.—The VSMA may award
22 and administer management contracts (and related profes-
23 sional services contracts) for the operation of commercial
24 visitor facilities and visitor services programs in areas of
25 the System. The commercial visitor facilities and visitor

1 services programs management contracts that may be
2 awarded shall be limited to those that are necessary and
3 appropriate for public use and enjoyment of the unit of
4 the System in which they are located and that are con-
5 sistent, to the highest degree possible, with the preserva-
6 tion and conservation of the resources and values of the
7 unit.

8 “(b) ADDITIONAL AUTHORITY.—The VSMA may
9 award and administer management contracts and related
10 professional services contracts authorized under this title
11 notwithstanding any other provision of law.

12 **“§ 102005. Financial management**

13 “(a) VSMA REVOLVING FUND.—There is established
14 a revolving fund that shall be available without fiscal year
15 limitation for expenses necessary for the management, im-
16 provement, enhancement, operation, construction, mainte-
17 nance of commercial visitor services and facilities and pay-
18 ment of possessory interest and leasehold surrender inter-
19 est.

20 “(b) COLLECTION OF FUNDS.—

21 “(1) Funds collected by the VSMA pursuant to
22 the contracts awarded under this title shall be cred-
23 ited to the revolving fund.

24 “(2) The Secretary is authorized to transfer to
25 the revolving fund, without reimbursement, any ad-

1 ditional funds or revenue deemed appropriate in con-
2 nection with the functions to be carried out under
3 this title.

4 “(c) USE OF FUNDS.—The revolving fund shall be
5 available for expenditure by the VSMA in furtherance of
6 the purposes of this title.

7 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated to carry out this title
9 such sums as may be necessary.

10 **“§ 102006. Regulations**

11 “As soon as practicable after the effective date of this
12 title, the VSMA shall promulgate regulations appropriate
13 for its implementation.

14 **“§ 102007. Audits of records**

15 “The financial records of the VSMA shall be made
16 available to the Comptroller General and the Inspector
17 General of the Department of the Interior, as requested,
18 for purposes of conducting annual audits and investiga-
19 tions as necessary.

20 **“§ 102008. Annual report**

21 “The President’s annual budget submission shall in-
22 clude a description of the revenues and expenditures asso-
23 ciated with the VSMA.”.

24 (b) CONFORMING AMENDMENT.—Title 54, United
25 States Code, is further amended in the matter before sub-

1 title I by inserting the following between chapter 1019 and
 2 chapter 1021:

“1020. Visitor services management authority102001”.

3 **TITLE IX—INTELLECTUAL**
 4 **PROPERTY**

5 **SEC. 901. INTELLECTUAL PROPERTY.**

6 Chapter 1025 of title 54, United States Code, is
 7 amended by adding the following new section:

8 **“§ 102505. Reproductions of museum objects**

9 “(a) AGREEMENTS FOR REPRODUCTIONS.—With re-
 10 spect to a museum object in which the object itself and
 11 the object’s intellectual property rights, if any, are under
 12 the control of the Secretary, the Secretary may enter into
 13 agreements for the creation of reproductions of the object
 14 with other Federal agencies, units of State or local govern-
 15 ments, for-profit corporations, public and private founda-
 16 tions, nonprofit organizations, educational institutions,
 17 and individuals. The agreements may include provisions
 18 for the collection of fees or royalties.

19 “(b) TERMS AND CONDITIONS.—Any agreement
 20 under subsection (a) shall provide for the protection of the
 21 public interest in the museum object and any other terms
 22 and conditions that the Secretary deems appropriate.

23 “(c) RETENTION OF FUNDS.—Any funds collected
 24 pursuant to this section shall be retained, until expended
 25 and without further appropriation, for use by the System

1 unit, office, or repository where the museum object is
2 held.”.

3 **TITLE X—NATIONAL PARK**
4 **FOUNDATION AUTHORITIES**

5 **SEC. 1001. BOARD OF DIRECTORS.**

6 Chapter 1011 of title 54, United States Code, is
7 amended—

8 (1) in section 101112—

9 (A) by amending subsection (a) to read as
10 follows:

11 “(a) MEMBERSHIP.—The National Park Foundation
12 shall consist of a Board having as members no fewer than
13 6 private citizens of the United States appointed by the
14 Secretary. The Secretary and the Director shall be mem-
15 bers of the Board, ex officio.”; and

16 (B) by amending subsection (c) to read as
17 follows:

18 “(c) CHAIRMAN.—The Chairman shall be elected by
19 the Board from its members for a two-year term.”; and

20 (2) in section 101113(a), by renumbering para-
21 graph (2) as paragraph (3) and by inserting the fol-
22 lowing new paragraph:

23 “(2) COORDINATION WITH SERVICE.—Activities
24 of the National Park Foundation under paragraph
25 (1) shall be undertaken after consultation with the

1 Director to assure they are consistent with the pro-
2 grams and policies of the Service.”.

3 **SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.**

4 Chapter 1011 of title 54, United States Code, is fur-
5 ther amended by adding after section 101121 the fol-
6 lowing new section:

7 **“§ 101122. Authorization of appropriations**

8 “(a) IN GENERAL.—There are authorized to be ap-
9 propriated to carry out this subchapter \$25 million for
10 each of fiscal years 2016 through 2026.

11 “(b) REQUIREMENT OF ADVANCE PAYMENT.—The
12 amount made available for a fiscal year under subsection
13 (a) shall be provided to the National Park Foundation in
14 an advance payment of the entire amount on October 1
15 of the fiscal year, or as soon as practicable thereafter.

16 “(c) USE OF APPROPRIATED FUNDS.—Amounts
17 made available under subsection (a) shall be provided to
18 the National Park Foundation for use for matching, on
19 a 1-to-1 basis, contributions (whether in currency, serv-
20 ices, or property) made to the Foundation.

21 “(d) PROHIBITION USE FOR ADMINISTRATIVE EX-
22 PENSES.—No Federal funds made available under sub-
23 section (a) shall be used by the National Park Foundation
24 for administrative expenses of the Foundation, including

1 for salaries, travel and transportation expenses, and other
2 overhead expenses.

3 “(e) PROHIBITION USE FOR INVESTMENT.—No Fed-
4 eral funds made available under section (a) shall be put
5 in a fund by the National Park Foundation that will be
6 invested or earn interest in any way.”.

○

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Questions from Chairman Lisa Murkowski

Question 1: Can the National Park Service currently transfer appropriated funds, fees, or donations to the National Park Foundation to be used to match private dollars or to be placed in an interest-bearing fund, such as an endowment? If the NPS does not have the authority, do you think Congress should consider granting authority to the NPS to transfer donations, and possibly appropriated funds or fees, to the National Park Foundation to be used as matching funds or to be placed in an endowment?

Answer: No, there is no authority for the NPS to transfer appropriated funds, fees, or donations to the Foundation to place in an interest-bearing account, such as an endowment.

Also, the NPS does not believe having the authority to make direct transfers from existing funds to the Foundation to be used as matching funds or to be placed in an endowment would provide a better way to leverage private funding for park purposes. Such authority would not generate new funds for immediate use and, to the extent the authority was used, it would reduce the amount of donations, appropriated funds and fee revenue the NPS relies on to address critical needs.

Question 2: When considering deferred maintenance on all non-transportation assets, what percentage of the maintenance backlog comes from concessioner-operated buildings and facilities?

Answer: At the end of FY 2014, there were 65,047 non-transportation assets with a total documented deferred maintenance backlog of \$5,860,326,878. Of these, 4,668 were concession-occupied with a total documented deferred maintenance of \$326,466,469 which was 5.57% of the above documented non-transportation deferred maintenance total.

Question 3: What is the total leasehold surrender interest (LSI) and possessory interest (PI) associated with concessions contracts in the National Park Service? Please also include a list of the 10 park units with the highest LSI or PI and how much LSI or PI each of those park units has.

Answer: There are a total of 42 contracts with a total estimated PI/LSI of \$466.4 million. Of that total:

- There are 29 LSI contracts with a total estimate of \$276.4 million.
- There are 13 PI contracts with a total estimate of \$190 million.

U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis

The 10 parks with the highest LSI or PI are listed below. Note that the PI or LSI values are estimates only. Technically, we consider the numbers proprietary and they are not normally released to the public.

Contracts with PI

Rank	Park	Park Name	Contracts with PI and/or LSI	Estimated PI or LSI Value
1	GLCA	Glen Canyon National Recreation Area	3	\$104,889,163
2	GRCA	Grand Canyon National Park	2	\$98,710,222
3	LAKE	Lake Mead National Recreation Area	7	\$60,628,000
4	GRTE	Grand Teton National Park	3	\$58,143,697
5	NAMA	National Mall and Memorial Parks	2	\$26,183,053
6	GLAC	Glacier National Park	1	\$22,000,000
7	YELL	Yellowstone National Park	2	\$21,503,541
8	SEKI	Sequoia and Kings Canyon National Parks	2	\$12,962,341
9	OLYM	Olympic National Park	3	\$10,756,931
10	CRLA	Crater Lake National Park	1	\$6,271,838

Question 4: What percentage of hotels and other lodging accommodations located inside of a national park unit charge local or state taxes on lodging?

Answer: Forty-eight out of 51, or 94%, of lodging accommodations located inside of national park units charge local or state taxes.

Questions from Senator John Barrasso

Question 1: One of the primary concerns I have for future management of the National Park Service is the significant deferred maintenance backlog the agency has accrued. This \$11.5 billion backlog, coupled with increased visitor traffic and a concessionaire system that may dissuade long-term private investment poses a significant threat to the longevity of our cherished public spaces. In Olympic National Park in Washington, the deferred maintenance backlog has grown to \$133 million. An article last week reported that in the case of Grand Canyon National Park, the maintenance backlog has increased to \$339 million. In Wyoming, Yellowstone National Park faces a backlog of over \$633 million. Failure to decrease the maintenance backlog undoubtedly jeopardizes the ability of families to be able to visit and enjoy these iconic locations. Ultimately, this total is a threat to the future of the National Park System. Given the current budget climate and national deficit, what is the most effective way to reduce the maintenance backlog to ensure people will be able to enjoy these special places for another 100 years?

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Answer: The NPS is taking a number of steps to reduce the deferred maintenance backlog. However, reduction of the deferred maintenance backlog will not be solved without significant additional federal investment. The NPS has recently issued a new policy requiring that 55% of recreational fees collected be spent on deferred maintenance projects, targeting highest priority assets. A number of NPS partners have recently made donations for historic structure restoration and trail rebuilding, reducing deferred maintenance on these critical facilities. We are also working to expand our leasing program by transferring the responsibility for routine and deferred maintenance to lessees for facilities that are not needed for park operations. We are also engaging youth to accomplish deferred maintenance work while learning skills and developing an understanding of history and nature. However, these alternative approaches will only be able to address a relatively small portion of the deferred maintenance problem, and will not substantially reduce the backlog. Significant federal investment in park roads, bridges, utility systems and visitor facilities will be required to repair our park facilities.

To focus the limited resources available toward our most important assets, the NPS developed and implemented the Capital Investment Strategy (CIS) for Line Item Construction, Repair/Rehabilitation, and Recreation-Fee-funded Facility Maintenance projects. The CIS evaluates four elements of a project: Financial Sustainability, Visitor Use, Resource Protection, and Health and Safety and creates a numeric project ranking pool of high-priority projects.

Question 2: When the National Park Service acquires or considers acquiring a new park unit, are the condition of the deferred maintenance backlog at the time of the acquisition and the expected future management costs of the potential unit considered as significant factors in the decision?

Answer: The NPS only acquires property for a new park unit after the unit has been designated by Congress or by the President through use of the Antiquities Act. If the NPS conducts a Special Resource Study (SRS) prior to Congressional designation of a new park unit, which it has done for most of the recently designated new units, the NPS will have information about impacts to deferred maintenance (existing and forecasted facility conditions). In a SRS, the NPS evaluates a potential new unit against 4 criteria: national significance, suitability, feasibility and the need for NPS management. The feasibility analysis looks at the costs to manage the new unit, including the investment required to restore facilities in the new unit to good condition, as well as the ongoing maintenance costs of the facilities that would be acquired. In recent SRSs, the NPS has utilized a Total Cost of Facility Ownership (TCFO) analysis, estimating life cycle costs of physical assets, including all activities that occur over its lifetime and the organizational resources and capacity required to perform those activities.

Question 3: Title II of S. 2257 creates the National Park Centennial Challenge Fund (NPCCF) in the Treasury, which creates an account specifically for the National Park Service. An additional provision in Title IV creates the Public Lands Centennial Fund,

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

which includes an additional \$100 million in mandatory appropriations over three years for the BLM, Forest Service, and other agencies. The National Park Service seems to be able to seek monies from both of these funds. Why is the National Park Service included as a potential financial recipient of the Public Lands Centennial Fund when the bill creates the fund (NPCCF) dedicated solely to the Park Service?

Answer: While the National Park Centennial Challenge Fund would be solely dedicated to the needs of the National Park Service, the scope and breadth of NPS lands, responsibilities, and needs, including the deferred maintenance backlog, are such that any available additional funds are welcome in addressing them. Allowing the NPS to compete for funds within the Public Lands Centennial Fund would provide flexibility to target funds to the highest priority needs both within all public land management agencies, including the NPS.

Questions from Senator Debbie Stabenow

Question 1: According to your statement, the 292 million people that visited National Parks in 2014 were record highs. The five parks in the State of Michigan attracted nearly 2 million visitors, which generated \$173 million in economic activity and supported nearly 3,000 local jobs. With the Centennial of the National Park Service in 2016, the expected increase in visitation will only place additional strains on the Service's already tight budget.

I understand that enacting the National Park Service Centennial Act would help to supplement, not supplant, current funding. I am particularly interested in the provisions in the bill that would formally establish the Centennial Challenge Fund and dedicate \$100 million for it in each of the next three years. In 2015, this program helped support youth crews that worked to preserve and provide maintenance of cultural landscapes and historic activities at Keweenaw National Historical Park and refurbish a historic log cabin at Sleeping Bear Dunes National Lakeshore.

Can you describe the interest from foundations, private businesses, and others to provide funds to match the proposed federal investment of \$100 million a year?

Answer: Throughout 2015, the National Park Service and the National Park Foundation tested new funding models to supplement federal discretionary appropriations and prepare the national parks for the next 100 years. Through this process, we developed a better understanding of the types of projects that are most attractive to foundations, non-profit organizations, individuals, and corporate partners. We saw first-hand how providing incentives to donors can be critical in attracting both small and large gifts. Matching a federal investment provides donors with a level of certainty they need to make a gift and motivates giving as donors can see the larger impact their gift can make.

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

For FY 2015, Congress appropriated \$10 million for the Centennial Challenge Fund. In less than 6 months, the National Park Service was able to generate \$15.9 million in commitments from more than 90 organizations to leverage the federal funds. These projects ranged from \$5.2 million to rehabilitate and restore the Mariposa Grove of giant sequoias at Yosemite National Park in partnership with the Yosemite Conservancy, to under \$10,000 to raise the sunken walks at the Raspberry Island Light Station of Apostle Islands National Lakeshore in partnership with the National Parks of Lake Superior Foundation.

The proposal to create a Centennial Challenge Fund was promoted by former Secretary of the Interior Dirk Kempthorne in 2008. Although the fund was not enacted, his proposal for a \$100 million fund generated 210 project and program proposals and commitments of \$215 million in non-federal support.

The Centennial Challenge Fund is also an important tool for engaging more and diverse individuals and organizations in park philanthropy. For many of our smaller philanthropic partners, a federal match presents the opportunity to accomplish important park projects that would otherwise be beyond their reach. Successfully completing these larger projects demonstrates to other potential donors a partner's ability to tackle even larger and more impactful work. For our larger partners, a federal match allows them to work with a park to complete increasingly ambitious and challenging projects.

Question 2: As you are well aware, funding offsets are hard to find in this difficult budgetary environment. The National Park Service Centennial Act provides two offsets from increased user fees in a fund called the National Park Service Second Century Fund. How much would these offsets raise, and what amount is actually necessary to address operations and construction shortfalls in our parks? I understand the parks in Michigan have a backlog totaling nearly \$50 million.

Answer: The NPS estimates the two offsets included in the Centennial Act would raise an additional \$40 million per year depending on how the charge is calculated and occupancy rates in a particular year; these funds would be leveraged with matching private donations of funds, goods or services for a total combined benefit to the NPS of at least \$75.2 million annually. These funds, combined with the other mandatory proposals, would help to ensure the NPS entered its second century of operations with the capacity to continue engaging a growing number of visitors and to protect the incredible natural and priceless cultural resources entrusted to its care. This includes addressing the deferred maintenance backlog, which stood at \$11.5 billion as of the end of FY14. Of this backlog, \$2.2 billion represents deferred maintenance on the highest priority, non-transportation assets of the NPS.

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Questions from Senator Jeff Flake

Question 1: I understand that at Grand Canyon National Park there is a program allowing certain vendor partners to sell park entrance passes as well as a contract for a third-party vendor to sell passes through automated fee collection machines.

- a. What other similar arrangements to sell park entrance passes exist at other parks?

Answer: The NPS generally sells park entrance passes at entrance gates, visitor centers or other visitor contact stations within a park, automated fee collection machines and/or through third-party vendors such as local gateway community businesses. Some parks sell park entrance passes on-line as well. Interagency annual passes are available at staffed federal public lands sites, Recreation.gov, the USGS website, or third-party vendors such as REI and AAA.

- b. What authorities does the NPS use to allow third-party sales of park passes?

Answer: Third-party agreements may be entered into under the authority of the Federal Lands Recreation Enhancement Act of 2004, 16 USC 6801-6814 *et seq.*, as well as the following National Park Service and departmental authorities supporting promotion and protection of public lands: Management Policies 2006; Director's Order #20: Agreements; Director's Order #22: Recreation Fees; Reference Manual 22A: Recreation Fees, Chapter 11 Fee Collection Methods, Section 11.4 Fee Collection and Pass Sales by Third Parties; The "America the Beautiful-the National Parks and Federal Recreational Lands Pass" Interagency Standard Operating Procedures.

- c. What guidance does the NPS use to establish the amount that the third-party vendor earns for the sale of a park pass?

Answer: Parks may sell entrance passes and pre-printed entrance receipts to third parties at a 10% discount. For example, a park may sell an \$80 Interagency Annual Pass to an authorized third-party for \$72, a \$30 park-specific annual pass for \$27 or a \$25 entrance receipt for \$22.50.

- d. Service-wide how many of the park entrance pass sales are made through a third-party vendor each year?

Answer: The NPS has third-party agreements to sell interagency annual passes with 35 national vendors, including companies like AAA, REI, and Trailfinders Limited. In 2015, these vendors sold 20,015 Interagency Annual Passes that brought in \$1,461,132 in revenue. The NPS cannot provide the number of park-specific entry passes sold service-wide through local third-party vendors since those arrangements are overseen locally at the park level.

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Question 2: The Park Service is evaluating potential solutions to the water pipeline challenges at the Grand Canyon National Park by developing a water-delivery study. In response to a question following the February 24 hearing on the Department of the Interior's FY16 budget request, Secretary Jewell indicated that the NPS intended to begin the NEPA process for the Grand Canyon National Park this summer and that Grand Canyon National Park was a member of two collaborative workgroups considering regional water-supply solutions. A recent E&E story ("Park's Crumbling Water System Tests Cash-Strapped NPS", Greenwire, December 2, 2015) highlighted regional solutions including a Lake Powell pipeline and a refurbishment of the Black Mesa coal slurry pipeline. Please provide an update on the Grand Canyon National Park's water supply solutions including the NPS's involvement with the various regional pipeline proposals.

Answer: The NPS is currently conducting multiple engineering and hydrologic studies to establish baseline information about the water supply at Grand Canyon National Park that will inform the planning process.

The NPS plans to initiate the NEPA process with public scoping in the spring of 2016. Despite delaying initial public scoping, the NPS still expects to have a recommendation for a preferred alternative by late 2016 as originally planned. The preferred alternative will include information needed to proceed with project development and cost estimates.

The park continues to participate as a member of the Coconino Plateau Water Advisory Counsel and Watershed Partnership as well as the group's technical advisory committee. These are regional, collaborative workgroups that include representatives from the county, city, state, tribal governments, and federal agencies working to address regional water issues. These groups have considered various options for providing water to the park and surrounding communities. However, replacement of Grand Canyon's water distribution system is needed immediately and, to our knowledge, a viable method for providing water on a regional basis has not been identified at this time. The NPS will continue to evaluate all options to ensure the park maintains an appropriate water supply.

Question 3: The Grand Canyon Bison Management Plan was described by Associate Director Knox as "a high priority planning project" on which the NPS "is diligently working with [our] partners" (June 10th hearing by Subcommittee on National Parks). Following the March 12th hearing on the Bipartisan Sportsmen's Act of 2015 you sent Chairman Murkowski a letter stating that Grand Canyon National Park expected to have a draft EIS for the Bison Management plan "out for public review and comment this fall." Please provide an update on the status of the EIS and the Service's collaboration with the Arizona Game and Fish Department.

Answer: The NPS is in the process of working with our partners - the Arizona Game and Fish Department, the U.S. Forest Service, and the Bureau of Land Management – to focus the scope of the NEPA review on the immediate need for herd reduction and

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

protection of other sensitive park resources. The NPS expects to complete the NEPA review in 2016 and to begin implementation shortly after. We will continue to provide opportunities for public participation and expect to re-engage the public in early spring 2016. The park continues to monitor the effects of bison on other park resources and will use these results in the planning effort.

Question 4: As you know I have expressed opposition to any unilateral executive action to designate more national monuments in Arizona. Is the Department working with the President to prepare a monument designation for the Grand Canyon watershed?

Answer: The Department has no current plans to propose a designation of monuments in Arizona under the authority of the Antiquities Act. Moreover, the Department engages in robust consultation with national, state, local, and tribal stakeholders prior to the designation of any monument, in keeping with the President's commitment.

Questions from Senator Joe Manchin III

Question 1: Constituents in my state have raised concerns over the ban on sales of bottled water within national parks. Is the NPS looking for more ways to increase the availability of clean and safe drinking water for all visitors?

Answer: The NPS provides clean and safe drinking water for its visitors as a matter of routine in virtually all of our developed parks and is exploring options to provide greater access to water for visitors through the installation of more water bottle filling stations.

Question 2: Is the NPS tracking whether the bottled water sales ban is reducing waste significantly?

Answer: The National Park Service is exploring ways to quantify the waste stream reduction impacts that have resulted from the 2011 disposable water bottle reduction and recycling policy and plans to evaluate the cost and resources required to track this waste reduction. A major challenge in capturing the data is that, typically, disposable plastic water bottles placed in recycling bins at the parks are comingled with other recyclable containers such as bottles and cans, making it labor intensive and difficult to measure reductions in visitor-generated plastic containers. Additionally, there is currently no mechanism for monitoring the number of plastic water bottles placed into trash receptacles and not recycled.

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Questions from Senator Bill Cassidy

Question 1: When we spoke a few months ago, you were candid about the realities of trying to authorize \$1.5 billion of mandatory spending without any offsets. I asked if the Park Service had a backup plan in the absence of mandatory funding. We didn't have an opportunity to discuss that plan at the time at length.

- a. What is the Park Service's funding plan in the absence of the mandatory spending requests being fulfilled?

Answer: The NPS is making every effort to leverage its federal funding to accomplish its Centennial goals. In 2015, for the first time since 2008, parks were authorized to increase their recreation fees, following extensive public engagement efforts to ensure that fee increases satisfied both parks and visitors. The NPS estimates these fee increases, when fully implemented over the next several years, could raise an additional \$45 million annually. Recreation fee revenue is used exclusively for visitor services improvements, and the NPS intends to use the increased revenue to defray the growing deferred maintenance backlog. The NPS is also growing its partner relationships, both corporate and local. Beginning in 2014, the National Park Foundation embarked on the quiet phase of a multi-million capital campaign; the public campaign will be released in 2016. The NPS will also more than double the federal funds provided in FY 2015 and FY 2016 for the Centennial Challenge program with non-federal partner donations to accomplish signature projects and programs at national parks. Finally, the Centennial legislation includes new proposals to increase funding streams, including establishing a National Park Service Second Century Fund, which would be supported by increasing the cost of a lifetime senior pass and charging a modest fee for lodging or camping within a unit of the national park system.

Question 2: In the next year and in future years, how will the Park Service balance the Public's right to access with the need for Park preservation and protection?

Answer: So long as the National Park Service Organic Act of 1916 remains the fundamental law governing the management of park resources, the NPS will be required to conserve the special places under our stewardship in a manner and leave them unimpaired for future generations. In providing for their enjoyment, the NPS will need to continue to place a higher priority on protection of park resources.

That said, the NPS strives to be as welcoming to visitors as possible and to maximize public access to parks. We do this in multiple ways: by partnering with businesses and organizations that provide necessary services to visitors; by providing a variety of opportunities for visitors to learn about and gain a greater appreciation for park resources; and by attracting the public to the parks. The primary focus of our efforts around the NPS Centennial is getting the word out to all Americans that national parks are theirs to

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

experience and enjoy. We are doing that through the "Find Your Park" campaign, the "Every Kid in a Park" initiative, and a multitude of other efforts that the NPS and our partners are engaged in. We hope that long after the Centennial is over, these efforts will continue.

We anticipate that in the future, as in the past, there will be situations where access and resource protection come into conflict. Protecting resources will continue to be of paramount importance, but when such cases arise, we will strive to give full consideration to all points of view and to resolve the conflict in a practical and fair manner that is well understood by the public.

Question 3: According to the February Department of Interior Inspector General's Report on the Park Service's fee structure, in 2012, 500,446 Senior Passes were issued. This legislation proposes to raise the Senior Pass from \$10 to \$80 and use that difference to establish a Second Century Fund. Raising the fee would yield the Park Service more than \$35 million using the 2012 numbers.

a. How many Senior Passes were issued by the Park Service in 2013 and 2014?

Answer: The NPS issued 515,238 Senior Passes in 2013 and 508,648 in 2014.

Question 4: Mr. Shafroth stated in his testimony that "adding cellular service and mobile phone applications to enhance the experience of park visitors tend to be the types of projects that generate non-federal partner interest in making donations or sponsorship investments". The Pope's recent visit to DC highlighted the need for enhancements in our telecommunications system along the Nation Mall and the potential for the kind of partnerships you discuss.

People waited for hours on the Pope's arrival and despite best efforts by the wireless carriers through installation of temporary antennas, or "Cell on Wheels", to boost capacity, the National Mall and the Capitol grounds were effectively a "dead zone" when it came to wireless coverage. The lack of cell coverage is more than merely an inconvenience as most Americans now rely on cell connectivity to communicate, download information and learn about their surroundings. This disruption in service during large scale events (Presidential Inaugurations, 4th of Julys, Pope's visit, etc.) could be disastrous in an emergency. The National Mall is not a remote location. The expectation in America's Front Yard is that the experience is able to be shared via connected wireless devices.

a. With the investment of millions of dollars in the National Mall, what is the National Park Service's plan to bring permanent cell connectivity to the Mall?

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Answer: The NPS issued a Request For Information (RFI) in 2014 so that it might better understand the potential benefit of deploying a Distributed Antenna System (DAS) and the likely impact of its installation on the treasured landscape of the National Mall. The NPS is reviewing the multiple responses to the RFI, and it is evident that installation of a DAS will require an exacting design effort, substantial environmental and historic preservation compliance, and approvals from the Commission of Fine Arts and the National Capital Planning Commission.

In concert with the technical review of RFI submissions, the NPS is working to address several critical issues for the installation of a DAS, including determination of the appropriate method of authorization (lease, concession, permit, or commercial use authorization), and coordination with Mall “neighbors” (the Smithsonian Institution and the Architect of the Capitol). A survey of potential equipment locations on the Mall has been undertaken to assist in the identification of feasible locations for equipment installation. The NPS is also exploring cooperation with the District of Columbia Government to leverage the District’s existing and substantial fiber optic infrastructure.

- b. How does NPS plan to solve the problem in advance of the 2017 Presidential Inauguration?

Answer: The NPS recognizes the complications with cellular service that arose during the 2009 Presidential Inauguration. In an effort to avoid lapses in service for park visitors, the NPS took additional steps during the 2013 Inauguration as well as during the Pope’s visit in 2015 to ensure adequate cellular service coverage. The NPS will continue to use strategic placement of COWs (Cell on Wheels) as an interim strategy that can be used to serve park visitors until a comprehensive Distributed Antenna System (DAS) can be permanently installed.

In addition, the NPS is working with multiple partners to provide free Wi-Fi service at several locations on the Mall, including the World War II Memorial, the Korean War Veterans Memorial, and the Washington Monument. The Wi-Fi systems provide less expansive coverage and less bandwidth than a DAS system but they require less substantial infrastructure and installation is virtually invisible. The first of these systems should be functioning within a few months.

Question 5: In 2011 the National Park Service adopted a policy allowing national park units to ban the sale of bottled water in plastic containers. This policy contradicts the Administration’s ambitious healthy foods initiative as well as the First Lady’s efforts to encourage people to drink more water, including bottled and tap.

You acknowledged that banning the sale of water bottles “runs counter to our healthy food initiative as it eliminates the healthiest choice for bottled drinks, leaving sugary

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

drinks as the alternative. You also said that a ban could pose challenges for diabetics and others with health issues who come to a park...”

The Park Service also admitted that parks that have bans in place do not report separately on their recycling quantities based on type of material, and therefore “do not have the data available to conduct any post-ban analysis.” So it appears they are not tracking whether the bottled water sales ban is reducing waste or benefits visitors.

- a. Recognizing that there could be adverse health consequences from such a policy, why did the Park Service specifically elect to single out bottled water in adopting this policy?

Answer: The NPS disposable water bottle recycling and reduction policy seeks to counter any potential water-need problems associated with the elimination of sales of bottled water by eliminating sales only in park locations where sources of public drinking water are available and refillable water bottles are available for purchase.

- b. The overwhelming majority of the Parks that have enacted this ban all are located in parts of the country with notoriously dry climates. I understand that visitors are free to bring their own water bottles and can likely refill it in different areas of the parks, but not everyone may do so.
- i. Has the Park Service had any incidents of visitors suffering from dehydration, heat exhaustion or needing some type of emergency medical care at these parks since the Park Service adopted this policy?

Answer: No, the NPS has not observed an increased incidence of heat-related illness that may be associated with disposable water bottle access at parks that have adopted this policy. We will continue to educate our public about the risks of heat exhaustion and dehydration and encourage them to remain well-hydrated while enjoying our parks.

Questions from Senator Rob Portman

Question 1: It is my understanding that the NPS currently charges seniors \$10 for a lifetime pass. How long has this been the price, and on average, how many senior passes does NPS sell a year?

Answer: The original Senior Pass - the Golden Age Passport - was first established as a free annual pass in 1972. In 1974, it became a free lifetime pass. In 1994, a \$10 fee was established for the lifetime pass. The NPS issued 508,648 senior passes in 2014. In recent years the average has been around 500,000.

U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis

Question 2: Have you vetted an increase with senior groups like AARP? If so, what has been the response?

Answer: Based on informal discussions, the AARP and various other senior groups are supportive of an increase.

Question 3: With regards to the lodging fee: As you heard from Mr. Crandall, the National Park Hospitality Association is opposed to the new lodging fee. Mr. Crandall argues that the fee would: be borne by a small portion of all park visitors; be a deterrent to efforts to attract visitors during off-seasons; have a negative impact on guest donation programs; and, be an administrative burden on concessioners. What are your opinions regarding his concerns?

Answer: Mr. Crandall is correct that the lodging fee would be borne by those visitors who choose to stay at NPS lodging facilities and not all visitors. However, these overnight stay visitors are more likely to spend more time in the park and use more facilities and infrastructure such as roads and utilities than day-use visitors and therefore we believe a modest fee to help address the Service's need for additional funding is reasonable. The fee is within the range of similar "resort" fees seen in many private sector resorts. Lodgings in parks traditionally experience higher than comparable occupancy rates even in shoulder seasons and therefore it is not anticipated that the additional lodging fee would be a significant deterrent to park visitation. In addition, we do not anticipate that the lodging surcharge would be administratively complicated as it would be consistently applied through the concessioner lodging systems in the same way that other fees such as state and local taxes are applied.

Question 4: What is your opinion of the National Park Hospitality Association's alternative, a \$1 Centennial surcharge on all entrance fees?

Answer: Entrance fees are set through a process of public engagement, so the addition of a \$1 Centennial surcharge on entrance fees without public involvement, would be inconsistent with NPS practices. The NPS has recently raised fees in many of its locations through this public process, and adding a surcharge to the entrance fee may cause confusion for visitors.

Question 5: The Administration Centennial proposal includes \$1.5 billion in new spending, but was only able to identify less than \$50 million in offsets. Were you able to identify any other potential offsets that were not included in the proposal?

Answer: The proposal is part of the President's Budget for FY 2017, which includes potential offsets that are not specific to the proposal.

Question 6: In addition to being an incredible place to visit and spend time outdoors, the Cuyahoga Valley National Park (CVNP) has gone to great lengths to establish a model

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

education program. The program has grown to become a core part of school curriculum in North East Ohio. The park serves over 3,500 children in week long residential programs and 8,000 in field trips and day camps. This has helped the park reach out to underserved communities and develop innovative programs to work with urban neighborhoods in Cleveland and Akron. Much of this work is funded via philanthropic support. How would the Administration's Centennial proposal support parks like CVNP in their efforts to provide urban outreach and education?

Answer: The National Park Service enabling legislation specifies preserving resources and providing for public enjoyment as the bureau's mission. It does not specifically refer to the role of education as an important component of carrying out the mission. However, interpretation and education are critical to the long-term preservation and enjoyment of park resources. Through interpretation, education, and service, people form deep personal connections to these special places, and become stewards of the parks. As the keeper of our nation's historic places and critical ecosystems, the NPS is an important educational resource, promoting historical and scientific literacy and civic engagement skills. The Centennial legislation would clarify that interpretation and education are key functions of the National Park Service. This will ensure that park education programs like the one at Cuyahoga Valley National Park continue to receive management support into the future.

Question 7: CVNP has grown its volunteer program, co-managed by the park and the Conservancy, to 5,900 volunteers and over 200,000 hours annually. Their volunteers include youth, families, corporations and individuals from diverse backgrounds. Would the Administration's Centennial proposal address policies to support philanthropy and the CVNP's mission to attract new volunteers?

Answer: The legislation proposed by the Administration, S. 2257, would expand the Centennial Challenge, which would be an important incentive for private philanthropy at all levels. It would allow smaller philanthropic partners to demonstrate a greater impact and more established partners to take on increasingly ambitious projects.

Also, the proposed legislation would create the Second Century Endowment that would provide a long-term funding source for important park projects and allow the National Park Service, National Park Foundation, and local partners to more successfully engage in longer-term projects or multi-year relationships with donors.

Finally, the proposed legislation contains language that would eliminate the spending cap on the NPS Volunteer Program, which is currently set at \$7 million. The Volunteer Program is core to the NPS mission. Volunteering is one of the best ways to form deep lasting bonds between people and their national parks. It is also critical for operating parks. In FY 2015 there were over 400,000 NPS volunteers leveraging a value of more than \$180 million. However, volunteers require management including, recruiting, security vetting, supervision, and recognition. Removing the spending cap on the NPS

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Volunteer Program would allow parks like Cuyahoga Valley to continue to grow their volunteer program, engaging more people in meaningful service experiences and getting more work done to preserve and protect the parks' natural and cultural resources.

Question 8: The Park Service is billions behind on projects needed just to maintain existing national parks. What kinds of plans does the Park Service have to address this shortfall?

Answer: The NPS is taking a number of steps to reduce the deferred maintenance backlog. Recently, the NPS issued a new policy requiring that 55% of recreational fees collected be spent on deferred maintenance projects, targeting highest priority asset. A number of NPS partners have recently made donations for historic structure restoration and trail rebuilding, reducing deferred maintenance on these critical facilities. We are also working to expand our leasing program by transferring the responsibility for routine and deferred maintenance to lessees for facilities that are unneeded for park operations. We are also engaging youth to accomplish deferred maintenance work while learning skills and developing an understanding of history and nature.

To focus the limited resources available toward our most important assets, the NPS developed and implemented the Capital Investment Strategy (CIS) for Line Item Construction, Repair/Rehabilitation, and Recreation Fee funded Facility Maintenance projects. The (CIS) evaluates four elements of a project: Financial Sustainability, Visitor Use, Resource Protection and Health and Safety and creates a numeric project ranking pool of high priority projects.

However, as helpful and useful as all of these approaches are to reducing the deferred maintenance backlog problem, the problem will not be solved without significant additional federal investment in park roads, bridges, utility systems, and visitor facilities.

Question 9: What are the largest maintenance projects on this list?

Please see the attached spreadsheet with examples of NPS's largest non-transportation projects. Included in the spreadsheet is a list of the NPS's transportation projects valued at less than \$4 million per project that do not have identified funding sources at this time. The transportation maintenance backlog is approximately the same value as the non-transportation backlog.

Question 10: Are major maintenance projects regularly completed?

Yes. Major maintenance projects are completed on an ongoing basis throughout the NPS.

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Question 11: Our national infrastructure is aging, and I imagine that many of our park facilities are as well. Is this backlog expected to grow? What is the Park Service doing to limit this growth?

Yes, the NPS backlog will continue to grow as long as there remains a gap between the funding required to maintain the NPS facilities and the funds available to complete this maintenance. To lessen the impact of this growth, the NPS has developed and implemented a Capital Investment Strategy (CIS) to focus the limited maintenance funding on our highest priority assets.

Questions from Senator Angus King, Jr.

Question 1: What is the percentage of user fees vs. the percentage of appropriations? Given that percentage, are current user fees adequate in your opinion? Is there any plan to pursue more advanced technologies to collect park fees (such as requiring credit/debit card readers at each park entry station)?

Answer: In FY 2015, recreation fees were 9.53 percent of the amount of the NPS Operation of the National Park System and Construction appropriations. In the fall of 2014, the National Park Service conducted a nationwide review of entrance fees. As a result, implementation of a consistent pricing model by park type and grouping is continuing with some fee rates adjusted to better reflect the best balance between adequate resource supports for visitor needs at these parks while still keeping parks within reach of American families as an affordable recreational experience.

Additionally, the NPS is committed to the pursuit of advanced technologies for both methods of payment and entry passes. The NPS already employs credit/debit card readers at all parks with connectivity, and the NPS recently deployed 185 new credit card terminals capable of reading chip cards in 86 parks. The new terminals support Google Wallet and Apple Pay transactions. Four parks are currently piloting Apple Pay and other near-field communication enabled payments; once the pilot is complete a memo providing instructions on processing Apple Pay transactions will be sent to all parks with the new equipment.

The NPS also plans to pilot mobile entry passes at five parks across the country in the coming months, including Acadia National Park. The NPS released a Request for Information (RFI) in October of this year to seek information from the industry on what is currently available in the form of Electronic Entrance Passes. Over 20 companies responded to the RFI and the NPS is currently working with a number of the vendors in pursuit of additional information and plans to pilot electronic pass sales and use at pilot parks in the coming months.

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Question 2: In your opinion, what concession contract changes are necessary to make management more efficient?

Answer: The 1998 concessions act mandates a one-size-fits-all contract model and a rigid bidding process that does not allow the NPS to use industry standard contract models or negotiate contracts. To address this issue, the NPS needs the flexibility to employ a variety of contract types rather than a single type to contract for the wide variety of commercial services offered to visitors. Management contracts, for example, are widely used to manage lodging properties in the private sector, but the NPS has no ability to use this type of contract under the 1998 law. Freedom to negotiate some terms of the contract, which the current law does not provide, should result in more mutually beneficial contracts and better services for visitors.

In addition, the 1998 law provides only one financing avenue for capital improvements — leasehold surrender interest (LSI). Under current concessions law, LSI is the method used to compensate concessioners for improvements they make to the facilities associated with a concession contract. Concessioners generally are paid the value of this LSI when that contract ends. Due to the statutory formula that adjusts LSI value by the change in CPI, the value of LSI tends to grow rather than depreciate over the life of a contract, leading to large balances at the end of a contract. The NPS can increase the amount of investment in concession-assigned facilities if it has additional tools at its disposal. The Administration's legislative proposal, S. 2257, authorizes a revolving fund as well as management contracts that would allow for investment without the need to incur LSI.

Question 3: Is there a plan to award longer contracts to concessioners, such as 20-year contracts which would help promote more private investment? If so, what are the details of this plan?

Answer: Prior to the 1998 concessions act, NPS awarded concession contracts for terms as long as 30 years, and concessioners had the right to continue operating well past the 30 year term if they wanted to remain. This perpetual right to operate gave little incentive to improve performance or offer new services. Congress recognized this and resolved it in the 1998 act by requiring NPS to award contracts generally for a period of 10 years or less. Congress provided that NPS can award contracts for periods up to 20 years when the terms and conditions of the contract warrant a longer contract period. The NPS does award contracts with terms longer than 10 years when necessary to attract competition or when justified based on the required investment. For example, the recently awarded contracts at Grand Canyon and Yosemite National Parks are for 15 years.

Question 4: Is the Park Service taking steps to make sure criteria used to award concession contracts include strong consideration for past performance evaluations, quality of service and administration, and the locality of concessioner as it relates to the impact of the local community? If so, how is it taking these steps?

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

Answer: The Service is currently implementing updates to the service quality evaluation process including new standards and evaluation methods that consider current industry practice and recognize superior performance. Some of these changes were informed by discussions with the concessions community which explored ways to enhance concessioner incentive and recognition practices while still providing a competitive environment in accordance with the 1998 Act. The Service intends to continue this dialog. In addition, we now require submission of past operating evaluations when concessioners compete for new contracts. We are working to balance an incumbent concessioner's experience against a company without prior experience operating in a national park.

Questions from Senator Ron Wyden

Questions: As many of you know, access to outdoor recreation has been a priority of mine for many years. Not only do I support protections for some of the Nation's most pristine natural areas for generations of public access and enjoyment, I think it's clear that the outdoor recreation economy has become a sustainable economic engine in many parts of the country, including my home state of Oregon.

The recreation economy generates billions – and I'm not just talking about revenue from gift shops and sales of outdoor equipment – I'm talking about the tourism dollars generated in rural communities, at mom and pop diners, and even at local gas stations from folks driving to national parks, forests, and historic sites across the country to experience these wonders first hand.

I was in Oregon this summer touring Oregon's Seven Wonders – including the unmatched Crater Lake National Park – discussing all the ways Congress can support the recreation economy and ensure that our special places are taken care of for our kids and their kids to enjoy. One of the things I heard on this tour was the importance of maintaining safe and functioning infrastructure, like trails, bathroom facilities, and campgrounds, for the benefit of the visitors. But of course, funding remains a concern during a time where the maintenance backlog in our parks is over \$11 billion.

Q. How will the increased funding and authority in this Centennial bill help to improve visitor services and increase access to our National Parks?

Answer: Increases in funding resulting from the centennial bill will be used to address a variety of park needs, many of which will improve visitor services. Examples include addressing deferred maintenance, modernizing facilities and infrastructure, developing mobile interpretation and education apps, and developing new exhibits for visitor centers. New authorities, such as contracting flexibilities provided by the visitor service management authority provisions, will

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to the Honorable Jonathan Jarvis**

attract new companies to business opportunities in parks. More competition in commercial visitor service opportunities improves services for visitors.

I've heard from many outdoor recreation communities about the need to streamline recreation permitting and cut the red tape to make accessing the outdoors easier and more fun. Q. What are the Park Services goals for improving the visitor experience when it comes to the commercial permitting process for outfitters and guides and ease of public access to permits and informational materials – like through an app or centralized website – and will this Centennial bill help you achieve these goals? How?

Answer: The Park Service continually looks for ways to improve our permitting processes for commercial services. Over the years we have streamlined and standardized permitting guidance. In addition, many park units now use Pay.gov to pay for their commercial use authorizations (CUAs). We recognize that there are more opportunities to improve the permitting process. Towards that end, we are exploring the possibility of creating a national CUA to eliminate the need for multiple CUAs. We are also exploring the possibility of developing one website to provide information about CUAs including Service-wide information and links to each individual park.

The NPS does not see a need to change or modify our existing authorities at this time - any needed improvements can be accomplished through changes in administrative processes. Consequently, S. 2257 does not address modifications to existing CUA authorities.

Examples of Large Planned NPS Line Item Construction Projects
(dollars in thousands)

Park	Project	FY 2016 Enacted	FY 2017 President's Request
Dry Tortugas National Park	Stabilize Bastions 1, 2 and 3 at Fort Jefferson	6,618	
Vanderbilt Mansion NHS	Rehab Mansion Foundation and Support Walls	5,275	
Yellowstone National Park	Rehabilitation Mammoth Hotel	8,668	16,126
Golden Gate NRA	Stabilize & Repair Exterior Walls of the Cellhouse, Alcatraz	9,954	
Glacier National Park	Correct Health & Safety Hazards at Many Glacier Hotel	7,156	
Yosemite National Park	Rehabilitate El Portal Sanitary Sewer	4,886	13,929
Grand Teton NP	Replace Water & Wastewater Systems at Moose	13,948	
Cape Hatteras NS	Rehabilitate Wright Brothers Visitor Center	6,824	
Gateway National Recreation Area	Replace Electrical Infrastructure for Safety on Floyd Bennett Field		9,144
Mount Ranier National Park	Rehabilitate Paradise Inn Annex and Connection Snow Bridge		13,211
National Mall and Memorial Parks	Replace Washington Monument Screening Facility		9,456
Jewel Cave National Monument	Upgrade Structures for Safe Cave Tours		6,797
Grand Canyon National Park	Replace North Rim Potable Water Distribution System		10,458

119



Will Shafroth

President & CEO

National Park Foundation

Responses to Questions for the Record

Senate Committee on Energy and Natural Resources

Hearing to receive testimony on S. 2257, National Park Service for its Centennial in 2016, and for a second century of protecting our national parks' natural, historic, and cultural resources for present and future generations and for other purposes

December 8, 2015

Questions from Chairman Lisa Murkowski

Question 1: Can the National Park Service currently transfer appropriated funds, fees, or donations to the National Park Foundation to be used to match private dollars or to be placed in an interest-bearing fund, such as an endowment? If the NPS does not have the authority, do you think Congress should consider granting authority to the NPS to transfer donations, and possibly appropriated funds or fees, to the National Park Foundation to be used as matching funds or to be placed in an endowment?

Will Shafroth:

The NPS has general cost share authority that allows it to utilize appropriated funds to match private donations for projects and programs throughout the National Park System. However, the National Park Service does not have the authority to transfer money to the National Park Foundation to be placed in an interest-bearing fund or to match private dollars.

We feel that appropriated funds and fees should be utilized as they currently are to fund day to day operations across the system.

Questions from Senator John Barrasso

Question 1:

One of the primary concerns I have for future management of the National Park Service is the significant deferred maintenance backlog the agency has accrued. This \$11.5 billion backlog, coupled with increased visitor traffic and a concessionaire system that may dissuade long-term private investment poses a significant threat to the longevity of our cherished public spaces. In Olympic National Park in Washington, the deferred maintenance backlog has grown to \$133 million. An article last week reported that in the case of Grand Canyon National Park, the maintenance backlog has increased to \$339 million. In Wyoming, Yellowstone National Park faces a backlog of over \$633 million. Failure to decrease the maintenance backlog undoubtedly jeopardizes the ability of families to be able to visit and enjoy these iconic locations. Ultimately, this total is a threat to the future of the National Park System. Given the current budget climate and national deficit, what is the most effective way to reduce the maintenance backlog to ensure people will be able to enjoy these special places for another 100 years?

Will Shafroth:

We share your concern with the size of the deferred maintenance backlog. Earlier this year NPS and NPF launched the Find Your Park public engagement campaign, which has the goal of bringing new audiences to our national parks, especially Millennials. We're seeing the impact on visitorship already. From January through September 2015 there were 248 million visits to our national parks – an increase of 10 million visits over the same period of 2014, which saw a record level of visits.

As new visitors travel to our parks, it is vital they have a positive experience or we risk a first time visit being a one time visit and the state of facilities, trails and roads could certainly have a negative impact.

While you are correct that the deferred maintenance backlog is \$11.5 billion it is important to note that approximately half of the maintenance backlog consists of road and bridge projects under the transportation bill.

While some of the 106 projects funded by the \$26 million in Centennial Challenge money in FY15 tackled maintenance backlog projects the fact remains that it's very difficult to secure philanthropic dollars for "backlog" projects such as fixing sewer systems or HVAC units. Those are and must remain the responsibility of the federal government to pay for with appropriated dollars. The parks belong to all of us and taxpayer dollars must be used to maintain them.

Questions from Senator Bill Cassidy

Question 1: In your testimony you state, "...the Foundation and National Park Service are developing an enhanced understanding of the types of projects and programs that are most and least attractive to private donors and corporate partners... building or restoring necessary infrastructure such as roads, restrooms and maintenance facilities are better suited to being completed with federal appropriations. Conversely, adding cellular service and mobile phone applications to enhance the experience of park visitors tend to be the types of projects that generate non-federal partner interest in making donations or sponsorship investments."

- a. How has the Foundation collaborated with the Park Service to develop innovative ways to fund this proposed Endowment?

Will Shafroth:

The Foundation has collaborated at all levels of the Park Service to develop a list of projects and programs that will appeal to philanthropic donors for our \$250 million national fundraising campaign. Along with raising significant resources for key projects and programs, this list is providing NPF and NPS with invaluable feedback on the type of initiatives that appeal to donors.

Regarding the proposed endowment; we believe that the majority of philanthropic contributions will come from bequests and planned giving. Baby boomers – the richest generation in American history – are working on their wills and planned giving currently and they are seeking a home that they know will be both in existence and thriving when their gift is executed.

Question 2: The Administration has proposed increasing the Senior Pass from \$10 to \$80. Since the number of baby boomers who are retiring continues to grow, would initially allocating the funds from the increased revenue towards both the Centennial Challenge Fund and the proposed Endowment provide the adequate funding needed to attract donations for the Endowment?

Will Shafroth:

NPF supports increasing the price of the "Senior Pass" and establishing overnight fees at lodging facilities throughout the park system to fund both the Centennial Challenge and the proposed endowment. These two funding sources are part of a new and necessary holistic funding model for our national parks and we wouldn't support legislation that didn't provide sufficient funding for both. That's why we believe it's necessary for both the fee increase and the establishment of the overnight fee to be included in the legislation.

We believe that the inclusion of both of these funding sources would initially be sufficient to attract philanthropic dollars for both the Centennial Challenge and the Endowment. We would have concerns about the increase in the price of the "Senior Pass" being the only source of funding for both the Centennial Challenge and the Endowment because it could limit the amount of philanthropic dollars raised.

Questions from Senator Rob Portman

Question 1: Does your organization have any concerns with changing the senior fee?

Will Shafroth:

NPF does not have any concerns about changing the price of the "senior fee." The increase in the price will be leveraged to raise additional funds for the national parks for key projects and programs that will attract new demographics of visitors and ensure that they have a positive experience in the parks. Additionally, \$70 from the increased price of each "Senior Pass" will leverage at minimum an additional \$70 in contributions.

Question 2: Does your organization have any opinions on the Administration proposed lodging fee or the NPSA suggested Centennial surcharge on all entrance fees?

Will Shafroth:

NPF supports the proposed lodging fees with some small changes. For example, we would suggest limiting the fees to lodging facilities, not campsites. NPS cannot accurately determine how many camping nights there are annually so they would be unable to accurately assess the fee. In addition, we would suggest that the fees be charged on each room night not per person, per night, which would be difficult to do accurately and an undue burden on park staff and concessionaires.

NPF would support a Centennial surcharge on entrance fees as a way to supplement but not supplant the proposed overnight fees to seed the endowment provided the surcharge could be administered in a manner that did not negatively impact visitor experience or create unnecessary administrative burdens on park service staff or visitors.

Questions from Chairman Lisa Murkowski

Question 1: You testified that concessionaires need longer contracts so that they can invest more in concessioner-operated facilities and amortize the expense over the life of the contract. If concessionaires receive reimbursement with interest for improvements they have made in the form of leasehold surrender interest, why do shorter contracts pose an obstacle to concessionaires making investments in infrastructure they operate?

RESPONSE:

There are many important reasons for contract terms of greater than ten years, which has been the standard until very recently. First, the costs to both NPS and concessioners bidding on contracts are substantial – in the case of the larger contracts, exceeding \$1M for each participant in staff time, consultants and other direct costs.

Second, when substantial investment is required of the concessioner, the investment involves construction that can take a substantial period of time – several years – and can be delayed by NPS approvals, seriously impacting business projections by the concessioners on recovery of those investments. This chance of delayed recovery of up-front costs will discourage bidding on concessions contracts, even if the eventual repayment of the investment occurs.

Third, current legislation provides for the investments by a concessioner to be recognized as Leasehold Surrender Interest (LSI) and allows the NPS options for altering the value of LSI. The option selected by NPS for most recent contracts is “**a reduction on an annual basis, in equal portions, over the same number of years as the time period associated with the straight line depreciation of the initial value (construction cost of the capital improvement), as provided by applicable Federal income tax laws and regulations in effect on the day before the date of the enactment of this Act.**” In the Yellowstone contract recently awarded to Xanterra, for example, the LSI is reduced by 2.5% annually, or by 50% over the 20 year contract length. There is no provision for repayment of any interest on the investment, nor any credit for the increase in value of the infrastructure improved by the concessioner.

At the end of the contract, the NPS will select a concessioner for a new contract. Then, either (1) the selected contractor will make a payment to Xanterra of the remaining LSI, or (2) NPS will make a payment for the remaining LSI to Xanterra. Should Xanterra be awarded the new contract, the remaining LSI could continue to be amortized at the 2.5% per annum rate. A longer term – of 30 years, for example – would allow an increased portion of the LSI to be amortized and reduce burdens on NPS or a new concessioner.

As I also pointed out in my testimony, contracts of more than 20 years were employed to encourage the development of much of the existing concessioner-operated infrastructure in national parks and is also used for ski areas in national forests, where the normal permit term is 40 years.

Questions from Senator John Barrasso

Question 1: One of the primary concerns I have for future management of the National Park Service is the significant deferred maintenance backlog the agency has accrued. This \$11.5 billion backlog, coupled with increased visitor traffic and a concessionaire system

that may dissuade long-term private investment poses a significant threat to the longevity of our cherished public spaces. In Olympic National Park in Washington, the deferred maintenance backlog has grown to \$133 million. An article last week reported that in the case of Grand Canyon National Park, the maintenance backlog has increased to \$339 million. In Wyoming, Yellowstone National Park faces a backlog of over \$633 million. Failure to decrease the maintenance backlog undoubtedly jeopardizes the ability of families to be able to visit and enjoy these iconic locations. Ultimately, this total is a threat to the future of the National Park System. Given the current budget climate and national deficit, what is the most effective way to reduce the maintenance backlog to ensure people will be able to enjoy these special places for another 100 years?

We strongly agree that the deferred maintenance backlog is a deterrent to safe and enjoyable visitor experiences and urge Congressional and Administration actions to reduce the current backlog and put in place a model which will fund needed maintenance and operations expenses. As we noted in our testimony, the facilities operated by concessioners have a much lower level of deferred maintenance, since the maintenance and operational costs are generated through revenues from visitor services. We believe that this offers the right kind of tool for future park funding needs – primary reliance on revenues earned for services rather than appropriations of general revenues. We also urge the Congress to understand that the opportunities for visitors in national parks can and should be increased, especially in units now with little public visitation or in portions of even well-visited parks, where the right level and kind of services can be added utilizing private investments. As the overall US population grows, we believe that public policy should support allowing the number of those seeking national park experiences to grow. This has not been the case for several decades. In fact, the numbers of lodging rooms, campsites, restaurant seats and other visitor facilities has declined significantly since the 1980s.

Questions from Senator Rob Portman

Question 1: Does your organization have any concerns with changing the senior fee?

We support continued encouragement of visits to national park units – and all public lands and waters – by America's seniors. We believe that the increase in the senior pass cost to a one-time \$80 fee, or the substitution of a one-time fee with a 50% reduction in the cost of annual passes for seniors, will continue to make clear that America's seniors are welcomed. Companies in the hospitality industry typically welcome seniors with a far less generous offer of 10-20% reductions in prices and find those offers well received.

Derrick A. Crandall, Counselor
National Park Hospitality Association
1200 G Street, N.W. Suite 650
Washington, D.C. 20005
202-682-9530, F 202-682-9529
www.parkpartners.org

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to Ms. Theresa Pierno**

Question from Senator John Barrasso

Question: One of the primary concerns I have for future management of the National Park Service is the significant deferred maintenance backlog the agency has accrued. This \$11.5 billion backlog, coupled with increased visitor traffic and a concessionaire system that may dissuade long-term private investment poses a significant threat to the longevity of our cherished public spaces. In Olympic National Park in Washington, the deferred maintenance backlog has grown to \$133 million. An article last week reported that in the case of Grand Canyon National Park, the maintenance backlog has increased to \$339 million. In Wyoming, Yellowstone National Park faces a backlog of over \$633 million. Failure to decrease the maintenance backlog undoubtedly jeopardizes the ability of families to be able to visit and enjoy these iconic locations. Ultimately, this total is a threat to the future of the National Park System. Given the current budget climate and national deficit, what is the most effective way to reduce the maintenance backlog to ensure people will be able to enjoy these special places for another 100 years?

Answer: NPCA appreciates this congressional concern for the backlog, as addressing it is a high priority for our organization. The most effective way to address the backlog is to begin providing a more adequate investment in national parks through annual appropriations and the transportation bill, and to identify offsets to support the mandatory funding proposals in the centennial bill.

Half of the park service deferred maintenance backlog is transportation infrastructure. Although, the recently passed Fixing America's Surface Transportation Act (FAST Act) increases the Park Service's annual appropriation for road repairs and transportation systems from \$268 million in Fiscal Year 2016 to \$300 million by 2020, much more is needed. It will be important that the newly created Nationally Significant Federal Lands and Tribal Projects program is fully funded at \$100 million each year. We also urge Congress to build upon this support with additional funding in the next transportation bill with an increase in the gas tax in which a small portion of those funds is dedicated towards national park transportation infrastructure, as outlined in our "Penny for Parks" proposal that we have shared with this committee.

In regard to the non-roads backlog, we urge Congress to begin reinvesting in the NPS Construction account, which has declined by 62% in today's dollars over the last decade. A boost in this account maintained annually would make a critical difference in addressing backlog projects. Additional support can be provided through investments in the maintenance subaccounts within park operations, which address smaller maintenance projects and the day-to-day maintenance that keeps the backlog from growing.

In regards to the Energy and Natural Resources Committee, we strongly encourage the enactment of a Centennial Bill that provides mandatory funding for the Centennial Challenge matching grants program and backlog funds. The Centennial Challenge is a proven, bipartisan program that matches federal dollars with philanthropic donations

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257
Questions for the Record Submitted to Ms. Theresa Pierno**

from non-profits, foundations, corporations and others. Originally proposed by the George W. Bush Administration, this public-private partnership would leverage additional private dollars to help address the backlog and engage the next generation. During the Bush Administration, an initial investment of \$40 million yielded \$50 million in private donations for projects. In an effort to restart the program in 2015, Congress provided \$10 million for the Challenge through appropriated dollars, which was matched with \$16 million in donations. We strongly encourage this Committee to establish the program with a robust and stable stream of funding to allow private philanthropic organizations additional time and certainty for raising the match.

In addition, we support the Second Century Fund, a necessary investment for three years to directly address the most critical non-road projects. We support the proposal to provide the backlog with a mandatory funding stream. This would help address the projects that are in desperate need of repair for public safety and health reasons.

Questions from Senator Rob Portman

Question 1: Does your organization have any concerns with changing the senior fee?

NPCA supports an increase in the cost of the senior pass which has been set for nearly two decades at \$10 for a lifetime pass beginning at age 62. While a discount to seniors is entirely appropriate, the current arrangement undermines the potential for additional, needed fee revenue. A modest adjustment to the senior pass would likely not be prohibitively burdensome to pass-holders. Current passholders should retain their passes at \$10.

A modest adjustment to this fee has the potential to leverage important revenue. Today, approximately 400,000 to 500,000 senior passes are sold every year at national parks. The US Census Bureau projects the nation's 65-and-older population to reach 83.7 million in the year 2050, nearly doubling the size of that population from 2012. This growth in this sector of the population would likely lead to a significant growth in seniors visiting parks. A modest adjustment of the senior pass could provide the federal investment needed to match the private contributions for the Centennial Challenge Fund.

Question 2: Does your organization have any opinions on the Administration proposed lodging fee or the NPSA suggested Centennial surcharge on all entrance fees?

There are a variety of proposals on potential revenue sources to seed the funding provisions in Centennial bill, including lodging fees and a centennial surcharge. Congress shouldn't shy away from these proposals, but some warrant additional conversations with the National Park Service on the impacts to visitors of those additional fees. Also, we highly encourage the committee to investigate additional, more robust funding offsets beyond direct fees to park visitors to support the Centennial Challenge Fund and more directly address the maintenance backlog.



www.corpsnetwork.org

December 7, 2015

The Honorable Lisa Murkowski
Chairman
Senate Energy &
Natural Resources Committee
304 Dirksen Senate Building
Washington, DC 20510

The Honorable Maria Cantwell
Ranking Member
Senate Energy &
Natural Resources Committee
304 Dirksen Senate Building
Washington, DC 20510

Dear Chairman Murkowski and Ranking Member Cantwell,

Thank you for the opportunity to provide testimony for the hearing record on the National Park Service Centennial Act, S.2257. On behalf of Service & Conservation Corps (Corps) around the country, we appreciate the Chairman's efforts to strengthen the National Park Service (NPS) in anticipation of its centennial. S.2257 is a critical step for the NPS, its thousands of visitors, and partners like Corps that improve our parks and the visitor experience. We appreciate Ranking Member Cantwell's leadership in introducing the Act and the President's efforts in putting forward the draft NPS centennial legislation.

We particularly appreciate, and express our strong support, for inclusion of key provisions to strengthen Public Land Corps in Sec. 702. Through the Public Lands Corps Act of 1993, Corps work with NPS to "perform, in a cost-effective manner, appropriate conservation projects on eligible service lands" and expose Corpsmembers "to public service while furthering their understanding and appreciation of the Nation's natural and cultural resources." Sec. 702 will enable us to significantly improve our Corps, and our work for NPS and the nation, by raising the allowable age of Corpsmembers to 30 from 25 which will allow us to engage more veterans and by extending the federal noncompetitive hiring status to ensure our Corpsmembers can efficiently move on to the next step in their careers.

The Corps Network is comprised of over 120 Corps that work in every state and engage over 20,000 youth and veterans (Corpsmembers) each year in our Corps model which involves conservation service projects in local communities or on public lands. Tied to those projects, Corpsmembers receive educational, workforce, and supportive services. Corps work in NPS units around the country in helping to make improvements to trails, infrastructure, manage and improve park ecosystems, and preserve historic structures. In addition, we work with NPS' concessionaires on accomplishing projects for the parks and visitors. Modern-day Corps descended from the Civilian Conservation Corps and continue that legacy by developing the next generation of diverse conservation, recreation, and resource leaders.

Passage of this legislation along with additional investments in NPS and its partners like our Corps will ensure our nation's parks are ready for the next 100 years of providing "enjoyment, education, and inspiration of this and future generations." Thank you again for your leadership, and we look forward to working toward passage of a bipartisan National Park Service Centennial bill.

Sincerely,

Mary Ellen Sprenkel
CEO

1275 K St. NW, Suite 1050, Washington, DC 20005 p: 202.737.6272 f: 202.737.6277

**U.S. Senate Committee on Energy and Natural Resources
December 8, 2015 Hearing: S. 2257**

Senator Daines' Statement for the Record

Statement: My home state of Montana is home to two crown jewels of the National Park Service: Yellowstone National Park and Glacier National Park. Both places are special to Montanans and millions of tourists from around the world. In fact, for the last two years in a row, Glacier National Park has broken records for visitation, with more than 2.3 million visitors in 2014 and almost 2.4 million in 2015 with another three weeks of the year left. Montana is also home to the Little Bighorn National Battlefield, Fort Union Trading Post National Historic Site, and Bighorn Canyon National Recreation Area.

Montana's National Parks are also an important source of revenue for the state. In 2014, Montana saw over \$432 million in economic benefit from national park tourism and the National Park System supported over 7,600 jobs.

While I share the desire to make necessary improvements to the National Park System, any legislation regarding the Centennial must be careful not to impact public access to our National Parks and must have responsible offsets.

I hope that the Park Service and this Committee will take into account the concerns my colleagues and I share as we consider the National Park Service Centennial Act.